

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



February 11, 2010

TO: INTERESTED PARTIES

**SUBJECT: State Energy Efficient Appliance Rebate Program (SEEARP),
RFP #400-09-404, Addendum #2**

Notice Is Hereby Given That The Above RFP Is Amended As Follows:

- The RFP document has been modified to address changes in the roles and responsibilities of the vendor, the Energy Commission and the State Controller's Office. Specifically:
 - changes have been made to Task 5 of the Scope of Work and Deliverables;
 - changes have been made to Task 5 of the Approach to Tasks in Scope of Work section.
- The RFP document has been modified to address additional and modified scoring criteria.
- Attachment 16, Information Security – Vendor Risk Assessment Checklist, is hereby added to the solicitation.

Attached are:

1. RFP 400-09-404 Addendum #2 (pages i, ii, iii, 10, 11, 15, 21, 22, 26, 27, and 28).
2. Attachment 16, Information Security – Vendor Risk Assessment Checklist
3. The most relevant questions and answers from the pre-bid conference held on February 5, 2010.

Proposals must be delivered no later than 3 p.m., February 18, 2010, to the Energy Commission's Contracts Office. Bidders are reminded that proposals containing confidential information, or including any material marked as confidential shall be rejected in their entirety. This includes cost forms.

Except as herein amended, all other terms and conditions shall remain the same.

Sincerely,

Rachel L. Grant

Rachel L. Grant
Contracts Officer

REQUEST FOR PROPOSALS

State Energy Efficient Appliance Rebate Program (SEEARP)



RFP #400-09-404

www.energy.ca.gov/contracts

State of California

California Energy Commission

January 26, 2010

Table of Contents

I.	INTRODUCTION	1
	BACKGROUND.....	1
	PURPOSE OF RFP	1
	KEY ACTIVITIES AND DATES.....	2
	AVAILABLE FUNDING	2
	FEDERAL AND STATE LAWS, REGULATIONS, AND GUIDELINES	2
	Federal	2
	State	3
	FUNDING LIMITATIONS	4
	PRE-BID CONFERENCE	4
	PARTICIPATION THROUGH WEBEX	4
	QUESTIONS	5
	CONTACT INFORMATION	5
	RESPONSES TO THIS RFP	5
II.	SCOPE OF WORK AND DELIVERABLES	6
	ABOUT THIS SECTION	6
	BACKGROUND.....	6
	SCOPE OF WORK AND DELIVERABLES	6
	Task 1: Contract Management	6
	Task 2: Coordinated Drafting of Rebate Forms and Materials	9
	Task 3: Receiving, Logging, and Tracking of Rebate Claims.....	9
	Task 4: Evaluation of Rebate Claims	9
	Task 5: Transmittal of Electronic Claim Files for Validated Rebate Claims	10
	Task 6: Provision of Customer Service	11
	Task 7: Contribution to Federal Reporting and Auditing	<u>12</u> <u>12</u> <u>12</u>
	Task 8: Fraud, Waste, and Abuse Prevention and Detection	<u>13</u> <u>13</u> <u>12</u>
	DELIVERABLES AND DUE DATES	<u>13</u> <u>13</u> <u>13</u>
III.	EVALUATION PROCESS AND CRITERIA	<u>17</u><u>17</u><u>15</u>
	ABOUT THIS SECTION	<u>17</u> <u>17</u> <u>15</u>
	PROPOSAL EVALUATION.....	<u>17</u> <u>17</u> <u>15</u>
	Stage One: Administrative and Completeness Screening	<u>17</u> <u>17</u> <u>15</u>
	Stage Two: Technical and Cost Evaluation of Proposals.....	<u>17</u> <u>17</u> <u>15</u>
	Notice of Proposed Award.....	<u>17</u> <u>17</u> <u>15</u>
	Scoring Scale	<u>18</u> <u>18</u> <u>16</u>
	PREFERENCE POINTS	<u>18</u> <u>18</u> <u>16</u>
	Small / Micro-Business	<u>18</u> <u>18</u> <u>16</u>
	Non-Small Business	<u>19</u> <u>19</u> <u>17</u>
	Target Area Contract Preference Request	<u>19</u> <u>19</u> <u>17</u>
	Enterprise Zone Request.....	<u>19</u> <u>19</u> <u>17</u>
	Local Agency Military Base Recovery Act.....	<u>19</u> <u>19</u> <u>17</u>
	Disabled Veteran Business Enterprise Incentive	<u>19</u> <u>19</u> <u>17</u>
	EVALUATION CRITERIA AND WEIGHT FACTORS	<u>20</u> <u>20</u> <u>18</u>
IV.	PROPOSAL FORMAT, REQUIRED DOCUMENTS, AND DELIVERY	<u>25</u><u>25</u><u>22</u>
	ABOUT THIS SECTION	<u>25</u> <u>25</u> <u>22</u>
	REQUIRED FORMAT FOR A PROPOSAL	<u>25</u> <u>25</u> <u>22</u>
	NUMBER OF COPIES.....	<u>25</u> <u>25</u> <u>22</u>
	PACKAGING AND LABELING	<u>25</u> <u>25</u> <u>22</u>
	PREFERRED METHOD FOR DELIVERY	<u>25</u> <u>25</u> <u>22</u>
	ORGANIZE YOUR PROPOSAL AS FOLLOWS:	<u>26</u> <u>26</u> <u>23</u>
	Section 1, Administrative Response.....	<u>26</u> <u>26</u> <u>23</u>
	Section 2, Technical and Cost Response	<u>26</u> <u>26</u> <u>23</u>

V. ADMINISTRATION	<u>313128</u>
COST OF DEVELOPING PROPOSAL	<u>313128</u>
EQUIPMENT PURCHASES	<u>313128</u>
CONFIDENTIAL SUBMITTALS.....	<u>313128</u>
TREATMENT OF PROPOSALS.....	<u>313128</u>
DARFUR CONTRACTING ACT OF 2008	<u>313128</u>
DISABLED VETERAN BUSINESS ENTERPRISES (DVBE) COMPLIANCE REQUIREMENTS-	<u>323229</u>
RFP CANCELLATION AND AMENDMENTS	<u>323229</u>
ERRORS	<u>323229</u>
MODIFYING OR WITHDRAWAL OF PROPOSAL.....	<u>323229</u>
IMMATERIAL DEFECT	<u>323229</u>
DISPOSITION OF BIDDER'S DOCUMENTS	<u>333330</u>
BIDDERS' ADMONISHMENT.....	<u>333330</u>
GROUND TO REJECT A PROPOSAL	<u>333330</u>
PROTEST PROCEDURES	<u>343431</u>
AGREEMENT AWARD	<u>343431</u>
UNSUCCESSFUL PROPOSALS.....	<u>343432</u>
AGREEMENT REQUIREMENTS	<u>343432</u>
No Contract Until Signed & Approved	<u>353532</u>
Contract Amendment.....	<u>353532</u>
Conditions or Limits on Awards	<u>353532</u>
Audit	<u>353532</u>
Subcontractors	<u>353532</u>
Award Payments	<u>353532</u>
INTERPRETATION	<u>353533</u>
KEY WORDS AND DEFINITIONS	<u>353533</u>
VI. ARRA-SPECIFIC INFORMATION	<u>373734</u>
TRANSPARENCY AND REPORTING	<u>373734</u>
INFORMATION ON COMPLYING WITH SINGLE AUDIT ACT.....	<u>383835</u>
PROGRAM EVALUATION, PROJECT MONITORING, AND VERIFICATION.....	<u>383835</u>
ENFORCEMENT ACTION	<u>383835</u>
USE AND DISCLOSURE OF INFORMATION AND REPORTS	<u>393936</u>

Attachments

Administrative

- 1 Contractor Status Form
- 2 Darfur Contracting Act
- 3.1 Certified Small/Micro Business, Non-small Business and DVBE Certification Instructions
- 3.2 Disabled Veteran Business Enterprise Program Requirements
- 3.3 Disabled Veteran Business Enterprise Declarations (STD 843)
- 3.4 Bidder Declaration form GSPD-05-105
- 4 Contractor Certification Clauses
- 5 Target Area Contract Preference Act (TACPA) Request (STD 830)
- 6 Enterprise Zone Act (EZA) Preference Request (STD 831)
- 7 Local Agency Military Base Recovery Area (LAMBRA) Preference Request (STD 832)
- 8 Financial Management Information Form

Technical and Cost Response

- 9 Executive Summary
- 10 Client References
- 11 Budget (B-1 through B-10)

Informational

- 12 Sample Standard Agreement
- 13 Prevailing Wage Compliance Questions and Answers
- 14 ARRA Auditing Consideration
- 15 Single Audit Act Compliance
- 16 Information Security – Vendor Risk Assessment Checklist

I. Introduction

BACKGROUND

California is participating in the State Energy Efficient Appliance Rebate Program (SEEARP), administered by the U.S. Department of Energy (DOE). The SEEARP was created by the federal Energy Policy Act of 2005 and is funded by the American Recovery and Reinvestment Act of 2009 (ARRA), which provides \$787 billion nationally in economic investment to stimulate the economy. California has been awarded \$35.2 million. This program provides appliance rebates to eligible residential consumers for the purchase of California-qualified residential ENERGY STAR® appliances during the specified rebate offer period. The objectives of the SEEARP are:

- Save energy by encouraging appliance replacement through consumer rebates;
- Make rebates available to consumers for efficient appliances;
- Leverage SEEARP funds with existing rebate programs and partnerships;
- Keep administrative costs low while adhering to the federal monitoring and evaluation requirements;
- Promote state and national rebate tracking and accountability; and
- Use existing ENERGY STAR® consumer education and outreach materials.

As specified in DOE's SEEARP Funding Opportunity Announcement (DE-FOA-0000119), U.S. States, territories, and the District of Columbia ("states") are eligible to receive formula-based grants to support state-specific residential appliance rebate programs. Each state may determine the scope of its program, including which appliance categories to include and the rebate amounts that will be provided for each project type. States may use SEEARP funds to pay for the rebates and up to 50 percent of program administrative costs.

As California does not currently directly oversee any appliance rebate programs, the Energy Commission has issued SEEARP guidelines to create and implement a rebate program for the State. The *California State Energy Efficient Appliance Rebate Program Guidelines*, adopted December 16, 2009, can be found at:

<http://www.energy.ca.gov/2009publications/CEC-400-2009-025/CEC-400-2009-025-CMF.PDF>

PURPOSE OF RFP

The purpose of this RFP is to select a qualified third-party rebate fulfillment company ("Contractor") to provide services that include accepting and processing the mail-in rebate applications received from the public, verifying and validating submitted claim materials, and transmitting electronic claim files for each eligible rebate claim to the State Controller's Office. The Contractor will be relied upon for its service and expertise with rebate programs and fraud prevention and detection. The scope of work listed in Part II of this RFP (Scope of Work and Deliverables) includes the specific tasks for which the Contractor will be responsible.

I. Introduction, Continued

KEY ACTIVITIES AND DATES

Key activities and times for the RFP are presented below. This is a tentative schedule; please call the Contracts Office to confirm dates.

ACTIVITY	ACTION DATE
RFP Release	January 26, 2010
Deadline for Written Questions (by 5:00 p.m)	February 5, 2010
Pre-Bid Conference	February 5, 2010
Distribute Questions/Answers and Addenda (if any) to RFP	February 11, 2010
Deadline to Submit Proposals by 3:00 p.m.	February 18, 2010
Clarification Interviews (If necessary)	February 22 & 23, 2010
Notice of Proposed Award	February 25, 2010
Commission Business Meeting	March 24, 2010
Contract Start Date	March 30, 2010
Contract Termination Date	January 2012

AVAILABLE FUNDING

DOE has allocated the Energy Commission \$35.2 million for the California SEEARP. No more than \$1.1 million will be allocated for the contract resulting from this RFP. The remainder of the SEEARP funds will be allocated to additional administrative tasks and the public in the form of rebates. Rebates will be awarded on a first-come, first-served basis to eligible residential consumers who purchase California-qualified residential ENERGY STAR® products during the specified rebate offer period. In accordance with DE-FOA-0000119, the SEEARP will supplement and not supplant current rebate offerings available through existing utility programs.

FEDERAL AND STATE LAWS, REGULATIONS, AND GUIDELINES

Projects funded by ARRA must comply with various federal and state requirements. Bidders should review the Energy Commission's Terms and Conditions attached to this RFP for information regarding these requirements. As specified in the Terms and Conditions, the Contractor selected through this solicitation shall be deemed a "vendor" pursuant to federal law and Office of Management and Budget guidelines.

Bidders should be familiar with the following federal and state authorities and guidelines that apply to the SEEARP:

Federal

The American Recovery and Reinvestment Act of 2009

<http://www.energy.ca.gov/recovery/documents/HR1.pdf>

I. Introduction, Continued

Department of Energy State Energy Efficient Appliance Rebate Program Funding Opportunity Announcement (DE-FOA-0000119)

<https://www.fedconnect.net/FedConnect/?doc=DE-FOA-0000119&agency=DOE>

Title 10 Code of Federal Regulations (CFR) Part 600: Financial Assistance Rules

<http://www.gpoaccess.gov/cfr/index.html>

Office of Management and Budget ARRA Reporting Requirements

http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf

http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21-suppl1.pdf

http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21-suppl2.pdf

Federal Government Recovery Website

<http://www.recovery.gov>

U.S. Dept. of Energy Recovery Website

<http://www.energy.gov/recovery>

U.S. Dept. of Justice Guide to Grant Oversight and Best Practices for Combating Grant Fraud

<http://www.justice.gov/oig/special/s0902a/final.pdf>

Council of Economic Advisers' Estimates of Job Creation from the American Recovery and Reinvestment Act of 2009, May 2009

http://www.whitehouse.gov/assets/documents/Estimate_of_Job_Creation.pdf

State

California Energy Commission State Energy Efficient Appliance Rebate Program Guidelines

<http://www.energy.ca.gov/2009publications/CEC-400-2009-025/CEC-400-2009-025-CMF.PDF>

Office of the State Controller's Electronic Claims Submission Requirements Manual

http://www.sco.ca.gov/sco_elec_claim_submission_reqts_manual.html

California Energy Commission Recovery Website

www.energy.ca.gov/recovery

State of California Recovery Website

www.ca.gov/recovery

State Controller's Office Electronic Claim, Submission Requirements Manual

http://www.sco.ca.gov/sco_elec_claim_submission_reqts_manual.html

California Secretary of State's Office

www.sos.ca.gov

California business entities as well as non-California business entities conducting intrastate business in California are required to register and be in good standing with the California Secretary of State to enter into an agreement with the Energy Commission. If not currently registered with the California Secretary of State, Bidders are encouraged to contact the Secretary of State's Office as soon as possible to avoid potential delays in beginning the proposed project (should the application be successful). For more information, contact the Secretary of State's Office via its website, listed above.

I. Introduction, Continued

FUNDING LIMITATIONS

ARRA SEEARP funding may not be used to fund projects for gambling establishments, aquariums, zoos, golf courses, or swimming pools.

PRE-BID CONFERENCE

There will be one Pre-Bid Conference. Participation in this meeting is optional but encouraged. The Pre-Bid Conference will be held at the date, time and location listed below. Please call (916) 654-4392 or refer to the Energy Commission's website at www.energy.ca.gov to confirm the date and time.

FRIDAY, February 5, 2010

10:00 a.m.

California Energy Commission

Hearing Room A

1516 9th Street

Sacramento, CA 95814

Telephone: (916) 654-4392

PARTICIPATION THROUGH WEBEX

For participation through WebEx, the Energy Commission's on-line meeting service, follow the instructions below:

Computer logon with a direct phone number:

- * Please go to <https://energy.webex.com> and enter the unique meeting number: **920 787 036**
- * When prompted, enter your information and the following meeting password: **calrfp#1**
- * After you login, a prompt will appear on-screen for you to provide your phone number. In the Number box, type your area code and phone number and click OK to receive a call back on your phone for the audio of the meeting. International callers can use the "Country/Region" button to help make their connection.

Computer logon for callers with an extension phone number, etc.:

- * Please go to <https://energy.webex.com> and enter the unique meeting number: **920 787 036**
- * When prompted, enter your information and the following meeting password: **calrfp#1**
- * After you login, a prompt will ask for your phone number. CLICK CANCEL.
- * Instead call 1-866-469-3239 (toll-free in the U.S. and Canada). When prompted, enter the meeting number above and your unique Attendee ID number which is listed in the top left area of your screen after you login. International callers can dial in using the "Show all global call-in numbers" link (also in the top left area).

Telephone only (no computer access):

- * Call 1-866-469-3239 (toll-free in the U.S. and Canada) and when prompted enter the unique meeting number above. International callers can select their number from: <https://energy.webex.com/energy/globalcallin.php>

I. Introduction, Continued

If you have difficulty joining the meeting, please call the WebEx Technical Support number at 1-866-229-3239. Please be aware that the meeting's WebEx audio and on-screen activity may be recorded.

QUESTIONS

During the RFP process, questions of clarification about this RFP must be directed to the Contracts Officer listed in the following section. You may ask questions at the Pre-Bid Conference, and you may submit questions via mail, electronic mail, FAX, and by phone.

However, **all questions must be received by 5:00 pm on the day of the Pre-Bid**

Conference. After the Pre-Bid Conference, question and answer sets will be mailed to all parties who requested a copy of this RFP from the Commission Contracts Office and all that attended the Pre-Bid conference. The questions and answers will also be posted on the Commission's website at: <http://www.energy.ca.gov/contracts/index.html>.

Any verbal communication with a Commission employee concerning this RFP is not binding on the State and shall in no way alter a specification, term, or condition of the RFP.

CONTACT INFORMATION

Rachel L. Grant, Contracts Officer
California Energy Commission
1516 Ninth Street, MS-18
Sacramento, California 95814
Telephone: (916) 654-4379
FAX: (916) 654-4423
E-mail: rgrant@energy.state.ca.us

RESPONSES TO THIS RFP

Responses to this RFP shall be in the form of a Technical and Cost Proposal according to the format described in Section IV of this RFP (Proposal Format, Required Documents, and Delivery). The Technical Proposal shall document the Bidder's approach, experience, qualifications, and project organization to perform the tasks described in Part II (Scope of Work and Deliverables), and the Cost Proposal shall detail the Bidder's budget to perform such tasks.

II. Scope of Work and Deliverables

ABOUT THIS SECTION

This section describes the contract scope of work, deliverables and due dates under the direction of the Commission Contract Manager (CCM). Each of the tasks below lists the minimum elements that a submitted proposal must contain to demonstrate that the Bidder is able to perform the task, and the deliverables that will be required in relation to that task.

Proposal Section 2, Technical Response must include a description of the Bidder's approach to the tasks below (see "Organize Your Proposal as Follows" part of Section IV, Proposal Format, Required Documents, and Delivery).

BACKGROUND

The complete program description is found in the Energy Commission's *California's State Energy Efficient Appliance Rebate Program Guidelines*, available at:

<http://www.energy.ca.gov/2009publications/CEC-400-2009-025/CEC-400-2009-025-CMF.PDF>

. Bidders are expected to review the *Guidelines* before preparing their proposals.

SCOPE OF WORK AND DELIVERABLES

Task 1: Contract Management

Task 1.1: Kickoff Meeting

The Contractor shall:

- Attend a "kick-off" meeting with the CCM, Contracts Officer, the Accounting Office, and the State Controller's Office (SCO). The Contractor's Project Manager, Contract Administrator, and Accounting Officer shall attend this meeting. The administrative and technical aspects of this contract will be discussed.
- Summarize the topics discussed and meeting outcomes.

Deliverables:

- Kick-off meeting summary notes
- Work Plan (draft)

Task 1.2: Invoices

The Contractor shall:

- Prepare an invoice for all contract expenses performed. The official invoice must be submitted to the Energy Commission's Accounting Office.

II. Scope of Work and Deliverables, Continued

Task 1.3: Subcontractors

In the event subcontractors are part of the Contractor's proposal, the Contractor shall:

- Manage and coordinate subcontractor activities. The Contractor is responsible for the quality of all subcontractor work and the Energy Commission will assign all work to the Contractor. If new subcontractors are added, the Contractor shall notify the CCM who will follow the Energy Commission's process for adding or replacing subcontractors.

Task 1.4: Monthly Progress Reports

The goal of this task is to periodically verify that satisfactory and continued progress is made towards achieving the objectives of the project.

The Contractor shall:

- Prepare monthly progress reports which summarize all contract activities conducted by the Contractor for the reporting period, including:
 - An assessment of the ability to complete the contract within the current budget and any anticipated cost overruns.
 - Description of fraud prevention and detection required by Task 8 below.
 - Data regarding the issuance of rebates that are consistent with the Quarterly Progress Report template defined by DOE found at:
[\[http://www.drintl.com/html/email/stateapplianceprogram/jan10/SEEARP_Quarterly_Progress_Report_Template_Ver_1.0.xls\]](http://www.drintl.com/html/email/stateapplianceprogram/jan10/SEEARP_Quarterly_Progress_Report_Template_Ver_1.0.xls).
- Each progress report is due to the CCM within 15 working days after the end of the reporting period. These shall be in addition to the daily rebate status updates needed during the rebate period and described under subsequent tasks.

Deliverables:

- Monthly Progress Reports

Task 1.5: Final Report

The goal of this task is to prepare a comprehensive written Final Report that describes the original purpose, approach, results and conclusions of the work performed under this contract. The CCM will review and approve the Final Report. The Final Report must be completed on or before the termination date of the contract.

The Final Report shall be a public document. If the Contractor has obtained confidential status from the Energy Commission and will be preparing a confidential version of the Final Report as well, the Contractor shall perform the following subtasks for both the public and confidential versions of the Final Report.

Task 1.5.1: Final Report Outline

The Contractor shall:

- Prepare a draft outline of the Final Report.
- Submit the draft outline of Final Report to the CCM for review and approval. The CCM will provide written comments to the Contractor on the draft outline within 10 working days of receipt.

II. Scope of Work and Deliverables, Continued

- Submit the final outline to the CCM once agreement has been reached on the draft. The CCM shall provide written approval of the final outline within 5 working days of receipt.

Deliverables:

- Outline of the Final Report (draft and final)

Task 1.5.2: Final Report

The Contractor shall:

- Prepare the draft Final Report for this Agreement in accordance with the approved outline.
- Submit the draft Final Report to the CCM for review and comment. The CCM will provide written comments within 10 working days of receipt. Once agreement on the draft Final Report has been reached, the CCM shall forward the electronic version of this report to the PIER Technology Transfer Group for final editing. Once final editing is completed, the CCM shall provide written approval to the Contractor within 5 working days.
- Submit one bound copy of the Final Report with the final invoice.

Deliverables:

- Final Report (draft and final)

Task 1.6: Work Plan

The Contractor shall:

- Propose and adhere to a work plan for the duration of the contract and its service to the Energy Commission. The draft work plan shall be presented at the kickoff meeting described in Task 1.1, and revised per direction and discussions of the CCM.

Deliverables:

- Work Plan (final)

Task 1.7: Other Meetings

The Contractor shall:

- Attend both formal and informal meetings with Energy Commission staff and SCO when requested to do so. Requested meetings may also involve interacting with representatives from the Department of Finance and other state agencies, Official Partners of the program (including utilities, appliance retailers, appliance manufacturers, recyclers, and marketers and buyers), or representatives from federal entities.
- Submit regular status reports to the Energy Commission according to a schedule determined at the initial kickoff meeting for the project.

Deliverables:

- Status Reports
- Meeting notes as required

II. Scope of Work and Deliverables, Continued

Task 2: Coordinated Drafting of Rebate Forms and Materials

The Contractor shall:

- Work with Energy Commission staff and participating Official Partners to draft and finalize the rebate application forms and related materials to be used in applying for the available rebates. (As the forms will ultimately be processed by the Contractor, its input regarding the content and layout of forms will be given primary consideration, particularly in relation to process efficiency, current best practices, and fraud prevention.)

Deliverables:

- Rebate Application Forms and Materials (draft and final)

Task 3: Receiving, Logging, and Tracking of Rebate Claims

The Contractor shall:

- Receive all rebate applications submitted by the public.
- In consultation with the CCM, establish the content of a rebate application tracking file and the general format and template for provision of rebate tracking data to the Energy Commission, including forms and reports.
- Log, record, store, and accurately track all rebate materials and information, including rebate status (i.e., total received and logged, approved, denied, payments undeliverable by U.S. Post Office, paid and closed) for use under subsequent tasks (including Task 6, Provision of Customer Service and Task 7, Contribution to Federal Reporting and Auditing).

Deliverables:

- Rebate application tracking file template (draft and final)
- Rebate data reporting template (draft and final)
- Accurate tracking data when needed by rebate applicants or the Energy Commission (for Task 6) or for necessary reports or audits (for Task 7)
- Accurate final records at the conclusion of the rebate period for use under this Task 3.

Task 4: Evaluation of Rebate Claims

The Contractor shall:

- Evaluate all submitted rebate claims for compliance with eligibility requirements.
- Accurately verify and assess the validity of each claim according to the Energy Commission's SEEARP Guidelines.
- Provide the Energy Commission with lists of approved and denied rebate claims for use in Tasks 5 (Transmittal of Electronic Claim Files for Validated Rebate Claims) and 7 (Contribution to Federal Reporting and Auditing).
- Clearly document reasons for denying rebate claims and provide the Energy Commission with documentation of reasons for rebate denials.
- Engage in practices to detect and prevent fraud, waste, and abuse.

II. Scope of Work and Deliverables, Continued

- Provide the Energy Commission with final dispositions of evaluations at the conclusion of the SEEARP.

Deliverables:

- Lists of approved and denied rebate claims.
- Documentation of reasons for rebate denials.
- The comprehensive final dispositions of rebate claim evaluations at the conclusion of the SEEARP.

Task 5: Transmittal of Electronic Claim Files for Validated Rebate Claims

Task 5.1:—Testing of Electronic Claim Files Interface

The Contractor shall:

- ~~Create~~Receive an electronic claim processing interface ~~as defined~~provided by the Energy Commission for the Energy Commission, and adapt it as necessary to enable the Contractor to transmit electronic claim files to SCO for approved rebate claims.
- Receive a comma separated file (CSV) from the Energy Commission that contains warrant rebate application claims that have been paid and integrate that list into the Contractor's tracking system for rebate oversight.
- ~~Test both interfaces the interface with the Energy Commission, and summarize~~SCO Disbursement System as specified in the SCO Electronic Claim Submission Requirements Manual (see http://www.sco.ca.gov/sco_elec_claim_submission_reqts_manual.html).
- Summarize the interface test results for the Energy Commission, and participate in problem resolution.
- ~~Meet with the Energy Commission and SCO as necessary to successfully implement the electronic claim file interface prior to the public launch of the rebate program.~~

Deliverables:

- Documentation of the fully functioning electronic claim file interface.
- Interface test results summary.
- Master file layouts, record descriptions, and data dictionary of the data and/or data systems used to generate the claims CSV so the Energy Commission can verify that data elements included in that file match the SCO's data layout.

Task 5.2: Transmittal of Electronic Claim files for Validated Rebate Claims

The Contractor shall:

- ~~Send the~~Transmit electronic claim files to SCO for validated rebate claims CSV.
- ~~Create a claim schedule, Form Std 218 DD, for each electronic claim file to a designated secured~~transmitted for Energy Commission File Transfer Protocol (FTP) site that is review, approval and signature.
- Upload a web-based application that the Energy Commission will manage.
- Receive a comma separated CSV file from the Energy Commission that contains the Data Exchange (DEX) File provided by SCO for each electronic claim file submitted in the tracking files under Task 3 (the file will contain warrant numbers and other data), and update each rebate claim record.

II. Scope of Work and Deliverables, Continued

- Work with the Energy Commission to resolve SCO audit exceptions in a timely manner (no later than 7 working days after notice of exception), in order to ensure prompt payment of rebates. The Energy Commission will inform the Contractor of audit exceptions via e-mail. The Contractor will determine whether the customer's claim is valid or must be resubmitted or rejected, and will inform the Energy Commission of its determination via e-mail.
- Notify the customer if the claim must be resubmitted or has been rejected.
- Submit reports on audit exceptions, as part of the monthly status report under Task 1 and as required under Task 3.
- ~~Work with SCO to resolve audit exceptions.~~
- Provide the Energy Commission with a report detailing the transmittal and tracking of each validated rebate claim.
- Provide the Energy Commission with necessary documentation relating to escheat of unclaimed rebate funds to the State (relevant provisions of California law relating to escheat include Part 3, Title 10 of the California Code of Civil Procedure, California Government Code Section 16304.1, and State Administrative Manual Sections 8042, 8422.7, and 8710).

Deliverables:

- Interface test results summary.
- CSV file containing~~Copies of electronic claim files submitted to SCO for each validated rebate claims.~~
- E-mails to claim. Accurate and complete claim schedule Form STD 218 DD~~corresponding to each electronic claim file for the Energy Commission containing resolution of SCO audit exceptions.'s review, approval and signature.~~
- Report on resolution of SCO audit exceptions in the monthly status report under Task 1 and as required under Task 3.
- Monthly transmittal and tracking report reflecting SCO DEX files and accurate rebate claim records for paid rebates.
- All necessary documentation relating to escheat of unclaimed rebate funds to the State.
- Send a confirmation email to the Energy Commission upon successful receipt and update of the warrant issue data file.
- Receive a confirmation email from the Energy Commission upon its successful receipt and update of the electronic claims file.

Task 6: Provision of Customer Service

The Contractor shall:

- Provide customer service to the general public, including answering basic questions of eligibility, application process, and submitted claim status, and interacting with denied claimants. The Contractor must be able to provide these services in multiple languages, including at a minimum English and Spanish.
- Provide service both by phone and through an online mechanism by making use of its existing, established resources. The Energy Commission shall not fund the development of new resources.

II. Scope of Work and Deliverables, Continued

- Create a public, toll-free call-in number and a web-based or e-mail based method for receiving and responding to inquiries from the public (if such public communication tools do not currently exist).
- Provide written responses, as required, to technical and process questions posed by Energy Commission, State Controller's Office, or U.S Department of Energy staff.
- Promptly alert Energy Commission staff to encountered problems, difficulties or issues, to work with staff to resolve encountered issues, and in general to maintain an open dialogue with staff in regards to program operations.
- Provide the Energy Commission with written, daily updates regarding the total number of claims received, approved, and remaining for each appliance category from the start of the rebate period until such time as funds are known to be exhausted or the rebate period has closed, whichever comes first. (As there are a limited number of rebates that are awarded on a first-come, first-served basis, the Energy Commission is extremely sensitive to the need to keep all customers aware and informed of the number of remaining available rebates to prevent oversubscription.)

Deliverables:

- Documentation of a fully functional public toll-free call-in number and the protocols to be followed by the contractor for receiving and responding to inquiries from the public.
- Documentation of a web-based or e-mail based method and the protocols to be followed by the contractor for receiving and responding to inquiries from the public.
- Written responses (including any required data) to the Energy Commission or DOE to any technical and process questions posed by Energy Commission or DOE staff (as required)
- Written statements of problems, difficulties, or issues (as required)
- Written daily updates regarding the total number of rebates received, approved, denied and remaining for each appliance category from the start of the rebate period until such time as funds are known to be exhausted or the rebate period has closed, whichever comes first.
- Monthly report of public inquiries, response times, actions required and any outstanding inquiries to be addressed.

Task 7: Contribution to Federal Reporting and Auditing

As a part of ARRA, the rebate program is subject to the reporting requirements of both the administering federal agency (DOE) and the federal Office of Management and Budget. In addition, all programs funded under ARRA are subject to audit to verify that funds are being used as intended. In order to meet these requirements and obligations, the Contractor must provide timely, accurate and complete information regarding program status on an as-needed basis.

The Contractor shall:

- Respond to data requests from the Energy Commission or DOE on an as-needed basis, in the form requested.
- Make all of its records relating to this program open and available to federal and state personnel upon request.

II. Scope of Work and Deliverables, Continued

- Create summaries and/or reports that demonstrate due diligence in reviewing and approving rebate claims, upon request. (Data and reports that are known to be needed in advance will be considered to be part of Task 1, which covers regular status reports.)

Deliverables:

- Responses to data requests from the Energy Commission or DOE (upon request and in the form requested)
- Data summaries and/or compiled reports reflecting the distribution of rebate funds to approved claimants (upon request)

Task 8: Fraud, Waste, and Abuse Prevention and Detection

The Contractor shall:

- Draft an initial plan outlining all best management practices and fraud prevention and detection measures implemented for this program.
- Recommend and implement appropriate strategies and practices to prevent and detect fraud, waste and abuse of the rebate program among rebate applicants.
- Recommend and implement appropriate internal controls and other practices to prevent and detect fraud, waste and abuse within the Contractor's own corporation and among any subcontractors.
- Submit reports to the Energy Commission on best management practices and fraud, waste, and abuse prevention measures.

Deliverables:

- An initial plan outlining all best management practices and fraud prevention and detection measures implemented for this program, delivered to the CCM at the Kick-Off Meeting convened under Task 1 above.
- Monthly reports on best management practices, any findings of potential fraud, waste and abuse, and the resolution of such findings.

DELIVERABLES AND DUE DATES

Task	Deliverable	Due Date
1	Summary Meeting Notes	5 working days after kick off meeting
	Monthly Progress Reports	Monthly
	Final Report Outline	Draft – May 10, 2010 Final – June 3, 2010
	Final Report	Draft - one month after the final rebate is issued, but no later than January 15, 2012 Final - two months after the final rebate is issued, but no later than January 30, 2012
	Work Plan	Draft -- April 2, 2010; Final – April 16, 2010
	Status Reports	Monthly

II. Scope of Work and Deliverables, Continued

Task	Deliverable	Due Date
	Meeting Notes	As required
2	Rebate Forms and Materials	Draft - April 2, 2010; Final – April 9, 2010
3	Tracking file template	Draft -- April 2, 2010; Final – April 16, 2010
	Reporting template	Draft -- April 2, 2010; Final – April 16, 2010
	Accurate tracking data	Continuous
	Accurate final records	One month after the final rebate is issued, but no later than January 15, 2012
4	List of approved and denied rebate claims	Weekly
	Rebate denial documentation	Monthly
	Comprehensive evaluation dispositions	One month after the final rebate is issued, but no later than January 15, 2012

II. Scope of Work and Deliverables, Continued

Task	Deliverable	Due Date
5	Documentation of the fully functioning electronic claim file interface	April 22, 2010
	<u>Interface test results summary</u> SCO Electronic Claim Files	<u>April 22, 2010</u> Daily
	<u>Master file layouts, record descriptions, and data dictionary of the data and/or data systems used to generate the claims CSV</u> Form STD-218-DD	<u>April 7, 2010</u> Daily
	<u>CSV file containing validated rebate claims</u> Report of Resolution of Audit Exceptions	<u>Daily</u> Monthly and as needed
	<u>E-mails to the Energy Commission containing resolution of SCO audit exceptions.</u> Report of transmittal and tracking report reflecting SCO DEX files and accurate rebate claim records for paid rebates	<u>As required, no later than seven working days after notice of exception</u> Monthly
	<u>Report of Resolution of Audit Exceptions</u> Escheat documentation	<u>Monthly and as needed</u> Six months after the last rebate is issued, but no later than January 15, 2012
	<u>Report of transmittal and tracking report reflecting SCO DEX files and accurate rebate claim records for paid rebates</u>	<u>Monthly</u>
	<u>Escheat documentation</u>	<u>Six months after the last rebate is issued, but no later than January 15, 2012</u>
6	Toll-free call-in number documentation	April 5, 2010
	Documentation of a web and e-mail based response mechanism	April 5, 2010
	Written responses to technical or process questions	As required
	Written statements of problems, difficulties & issues	As required
	Written rebate updates	Daily
	Summary Reports on Customer Services	Monthly
7	Responses to data requests	Upon request
	Data summaries and reports	Upon request
8	Initial Plan	Kick off meeting
	Monthly reports on fraud, waste, and	Monthly

II. Scope of Work and Deliverables, Continued

Task	Deliverable	Due Date
	abuse prevention and detection activities	

III. Evaluation Process and Criteria

ABOUT THIS SECTION

This section explains how proposals will be evaluated. It describes the evaluation stages, preference points, and scoring of all proposals. A Bidder's proposal will be evaluated and scored based on its response to the information requested in this RFP.

During the evaluation and selection process, the Energy Commission may interview a Bidder either by telephone or in person at the Energy Commission for the purpose of clarification and verification of information provided in the proposal. However, these interviews may not be used to add to or change the contents of the original proposal.

PROPOSAL EVALUATION

To analyze all Proposals, the Energy Commission will organize an Evaluation Committee. The Proposals will be analyzed in two stages:

Stage One: Administrative and Completeness Screening

The Contracts Office will review Proposals for compliance with administrative requirements and completeness. Proposals that fail Stage One may be disqualified and eliminated from further evaluation.

Stage Two: Technical and Cost Evaluation of Proposals

Proposals passing Stage One will be submitted to the Evaluation Committee to score proposals based on the Evaluation Criteria in this Section. The Evaluation Committee may, at its discretion, seek clarification of any point in the written technical proposal through a clarification interview with the Bidder. All Preferences will be applied, if applicable.

Notice of Proposed Award

Subsequent to the Proposal evaluations, the Energy Commission will post a "Notice of Proposed Award" at the Commission's headquarters in Sacramento, and on the Commission's Web Site.

III. Evaluation Process and Criteria, Continued

Scoring Scale

The Evaluation Committee will give a score from zero (0) to ten (10) for each criterion described below. The point calculations reflect the averages of the combined scores of all Evaluation Committee members.

Point Scale

0 Points	<ul style="list-style-type: none">✓ Is not in substantial accord with the RFP requirements.✓ Has a potential significant effect on the amount paid or net cost to the State or the quality or quantity of product and/or service.✓ Provides an advantage to one competitor over the other competitors, for example, not paying minimum wages.
1-3 Points	<ul style="list-style-type: none">✓ The proposal states a requirement, but offers no explanation of how or what will be accomplished.✓ The response contains a technical deficiency which is an inaccurate statement or reference concerning the how, what, where, or when, which is part of an overall statement or description.
4-6 Points	<ul style="list-style-type: none">✓ Satisfies the minimum requirements and describes generally how and/or what will be accomplished.
7-9 Points	<ul style="list-style-type: none">✓ Satisfies the minimum requirements and specifically describes how and/or what will be accomplished in an <u>exemplary manner</u>, using sample products and illustrative materials (i.e., diagrams, charts, graphs, etc.).
10 Points	<ul style="list-style-type: none">✓ Exceeds the minimum requirements and specifically describes how and/or what will be accomplished both quantitatively and qualitatively, using sample products and illustrative materials (i.e., diagrams, charts, graphs, templates, etc.).

PREFERENCE POINTS

A Bidder may qualify for non-technical preference points such as Small/Micro Small Business, Non-Small Business, and Disabled Veteran Business Enterprises (DVBE). Each qualifying Bidder passing the minimum technical evaluation will receive the applicable preference points.

Small / Micro-Business

Bidders who qualify as a State of California certified small business will receive five percent (5%) preference points based on the highest responsible bidder's total score, if the highest scored proposal is submitted by a business other than a certified small business. Bidders qualifying for this preference must submit their Small Business Certification and document their status in Attachment 1, Contractor Status Form.

III. Evaluation Process and Criteria, Continued

Non-Small Business

Government Code Section 14838(b)(2) also provides for a non-small business preference. The preference to a non-small business bidder that commits to small business or micro-business subcontractor participation of twenty-five percent (25%) of its net bid price shall be five percent (5%) of the highest responsive, responsible bidder's total score (RFP secondary). A non-small business, which qualifies for this preference, may not take an award away from a certified small business. The small business regulations are located at 2 CCR 1896 et seq. Bidders qualifying for this preference must document the small business status of all subcontractors on Attachment 3.4 and submit all applicable Small Business Certifications.

Target Area Contract Preference Request

The Target Area Contract Preference Act (Government Code Section 4530 et seq.) provides five percent (5%) preference points to California-based companies that perform state contract work in a distressed area. Bidders should complete RFP Attachment 5 if they qualify for this preference. If you have further questions or need additional information on this matter, please contact TACPA/LAMBRA Preference Program Group at (916) 375-4609.

Enterprise Zone Request

The Enterprise Zone Act (Government Code Section 7070, et seq.) provides preference points as an incentive for business and job development in distressed and declining areas of the State. Bidders should review RFP Attachment 6 to determine if they qualify for this incentive. If you have further questions or need additional information on this matter, please contact TACPA/LAMBRA Preference Program Group at (916) 375-4609.

Local Agency Military Base Recovery Act

The Local Agency Military Base Recovery Act (LAMBRA, Government Code Section 7118, et seq.) provides five percent (5%) preference points to California-based companies that perform State contract work in the LAMBRA. Bidders should review RFP Attachment 7 to determine if they qualify for this preference. If you have further questions or need additional information on this matter, please contact TACPA/LAMBRA Preference Program Group at (916) 375-4609.

Disabled Veteran Business Enterprise Incentive

The DVBE Incentive program was established pursuant to Military & Veterans Code Section 999.5(2) and Department of General Services' Regulations 2 CCR 1896.98 et seq. The information in Attachment 3.1 explains how the incentive is applied and how much of an incentive will be given.

III. Evaluation Process and Criteria, Continued

EVALUATION CRITERIA AND WEIGHT FACTORS

All proposals must include the elements discussed below, in sufficient detail to determine a score. (Please note the basis for criteria 1 through 6 is the Bidder's "Approach to Tasks in Scope of Work" document, which must be submitted as part of Proposal Section 2 Technical and Cost Response (see Part IV of this RFP)

Evaluation Criteria	Weight Factors	Total Possible Score
<p>1. <u>Accuracy:</u> The Bidder's proposal will be evaluated based on the processes and methods shown for determining the general validity of rebate claims (all materials included, address is a valid residential address, retailer is located in California, etc.) and the discussion of how incorrect approvals of incomplete or inadequate rebate applications are minimized, how incorrect denials of complete applications are minimized, and how incorrect determinations are handled when they are discovered. This score will be based on:</p> <ul style="list-style-type: none">• Stated accuracy, in percent of applications processed.• Methods used to minimize incorrect rebate approvals and disapprovals.• Staffing and responsibilities for ensuring accuracy.• Handling of incorrect determinations when discovered.	10	100
<p>2. <u>Capacity and Speed as a Rebate Processor:</u> The Proposal will be evaluated based on the capacity of the Bidder to handle large volumes of rebate claims and accurately process these rebates in a timely manner as demonstrated in the proposal. This score will be based on:</p> <ul style="list-style-type: none">• Stated total rebate processing capacity.• Stated current workload / obligation to other clients and proportion of available capacity that this contract would represent.• Completeness of rebate processing timeline.• Reasonableness of time allocated to each element of the timeline.• Overall time between receipt of rebate claim and final determination/issuance of rebate.	10	50

III. Evaluation Process and Criteria, Continued

Evaluation Criteria	Weight Factors	Total Possible Score
<p>3. <u>Interoperability:</u> The selected Bidder must work directly with the California Energy Commission and the Office of the State Controller (SCO). The Bidder must also provide data and materials sufficient for the Energy Commission to fulfill reporting requirements to the DOE and the federal Office of Management and Budget. This score will be based on:</p> <ul style="list-style-type: none"> • Examples, if any, of prior experience working with government agencies or in a governmental context. • Examples, if any, of prior experience working specifically with California agencies including SCO, or with the DOE or the Office of Management and Budget. • Sample reports prepared for clients showing format, styles and completeness. • Demonstrated awareness of governmental reporting requirements for the SEEARP as defined by the DOE. • <u>Described master file layouts, record descriptions, and data dictionary of the data and data systems.</u> 	10	50
<p>4. <u>Transparency:</u> The Proposal shall be scored based on the transparency of the proposed rebate process to both government agencies and to the public. Given the constraints of the program, keeping the public informed of the current status and availability of rebates is of paramount importance. It is further anticipated that the program will be audited at some point. This score will be based on:</p> <ul style="list-style-type: none"> • Recordkeeping practices. • Data availability, both to the public and to clients. • Examples, if any, of prior experience in an audit. 	5	50

III. Evaluation Process and Criteria, Continued

Evaluation Criteria	Weight Factors	Total Possible Score
<p>5. Security:</p> <p>The Proposal shall be scored based on the ability of the Bidder to detect, prevent, and minimize fraud, waste, and abuse, both among rebate applicants and among the Bidder's own personnel and subcontractors. This criterion is distinct from the general accuracy criterion as it incorporates fraud prevention and detection elements beyond the receiving and general validity screening of submitted rebate claims.</p> <p>This score will be based on:</p> <ul style="list-style-type: none"> • Described fraud, waste and abuse detection methods. • Described proactive fraud, waste and abuse prevention measures and minimizing practices. • Described method of handling suspected fraudulent or abusive rebate claims, business practices or other incidents. • <u>Identified additional desired information security capabilities per Attachment 16. (Failing to meet the minimum information security requirements as identified in Attachment 16, shall disqualify the proposal.</u> 	10	100
<p>6. Customer Service:</p> <p>The Proposal shall be scored based on the ability of the Bidder to provide customer service both to rebate claimants and to the general public. Customer service includes: providing basic information on the rebate program (in coordination with the Energy Commission and the Official Partners of the program), providing information on rebate status to claimants, addressing consumer complaints and handling contact with claimants whose rebate claims have been denied.</p> <p>This score will be based on:</p> <ul style="list-style-type: none"> • Capacities and experience providing public telephone call-in number and automated / live processes, <u>language support</u> and response times, recordkeeping, and any follow-up to public inquiries. • Technical capabilities and experience providing online communication and tools, as well as proposed staffing and language support. • Ability of above channels to deliver basic program information to active and potential participants. • Access of claimants to current rebate status and ability to address or resolve encountered problems using the above channels. 	10	100

III. Evaluation Process and Criteria, Continued

Evaluation Criteria	Weight Factors	Total Possible Score
<p>7. <u>Team Organizational Structure</u></p> <p>This score will be based on:</p> <ul style="list-style-type: none"> • Bidder's organizational structure, including company as a whole and specifically the entire contract team. • Location of the Bidder's and Subcontractor's headquarters and satellite office(s) and proposed methods of minimizing costs to the State. • History of working relationship between the team members, governmental agencies, subcontractors, private partners, including any significant success stories. • Professional awards. • Organization, composition, and functions to be performed by staff members of the Bidder and any subcontractors and how the staff pertains to this contract. • Any technical capabilities that would facilitate communicating with the Energy Commission and the SCO (e.g., internet capability and electronic reports). 	5	50
<p>8. <u>Team Experience and Qualifications</u></p> <p>The Proposal will be scored on the ability of the Bidder to demonstrate that it possesses sufficient staff with adequate experience and capabilities to successfully fulfill the requirements of this program.</p> <p>This score will be based on:</p> <ul style="list-style-type: none"> • Length of time the respondent has been engaged in the work of processing product rebates. • Quality of examples of previous work products. • Project team's qualifications and experience performing the tasks described in the Scope of Work. • Percentage of time each team member will be available throughout the contract. • Administration, management, and technical expertise in performing pertinent tasks identified in the Scope of Work. 	10	100

III. Evaluation Process and Criteria, Continued

Evaluation Criteria	Weight Factors	Total Possible Score
9. <u>Project Budget (Cost Factor):</u> This score will be based on: <ul style="list-style-type: none"> Consistency of budget with the Scope of Work. The project budget itemizes reasonable costs for personnel, in-direct costs, subcontractors, equipment, operating expenses, fees, etc., for each task. The proposal itemizes the budget in sufficient detail to justify the expenditures by task. The Budget includes the required information for personal services, subcontractors, operating expenses, fees, and total expenditures. The budget shows that key personnel and subcontractors will be committed to the project for the appropriate number of hours and functions to accomplish the activities described in the work statement. 	30	300
<u>Total Technical Score</u>	100	1000
<u>Small / Micro Business Preference</u>	Points based on highest technical score	
<u>Non-Small Business Preference</u>	Points based on highest technical score	
<u>TACPA, EZA, or LAMBRA</u>	Points based on highest technical score	
<u>DVBE Incentive</u>	Points based on DVBE commitment. See Attachment 3.1.	
<u>Total Score</u>	Total score based on total technical score and applicable preference points.	

IV. Proposal Format, Required Documents, and Delivery

ABOUT THIS SECTION

This section contains the format requirements and instructions on how to submit a proposal. The format is prescribed to assist the Bidder in meeting State bidding requirements and to enable the Energy Commission to evaluate each proposal uniformly and fairly. Bidders must follow all Proposal format instructions, answer all questions, and supply all requested data.

REQUIRED FORMAT FOR A PROPOSAL

All proposals submitted under this RFP must be typed or printed using a standard 11-point font, single-spaced and a blank line between paragraphs. Pages must be numbered and sections titled and printed back-to-back. Spiral or comb binding is preferred. Binders are discouraged.

NUMBER OF COPIES

Bidders must submit the original **and** 5 copies of the proposal (Sections 1 and 2).

Bidders must also submit electronic files of the proposal on **CD-ROM diskette** along with the paper submittal. Electronic files must be in Microsoft Word XP (.doc format) and Excel Office Suite formats. Attachments provided only in PDF may be submitted in PDF format. Electronic files submitted via e-mail will not be accepted.

PACKAGING AND LABELING

The original and copies of the proposal must be labeled "Request for Proposal – SEEARP Rebate Services," and include the title of the proposal:

Include the following label information and deliver your proposal, in a sealed package:

Person's Name, Phone#
Bidder's Name
Street Address
City, State, Zip Code
FAX #

RFP 400-09-404
Contracts Office, MS-18
California Energy Commission
1516 Ninth Street, 1st Floor
Sacramento, California 95814

PREFERRED METHOD FOR DELIVERY

A Bidder may deliver a proposal by:

- U. S. Mail
- Personally
- Courier service

IV. Proposal Format, Required Documents and Delivery, Continued

Proposals must be delivered **no later than 3:00 p.m.**, to the Commission Contracts Office during normal business hours and prior to the date and time specified in this RFP. In accordance with Public Contract Code 10344, proposals received after the specified date and time are considered late and will not be accepted. There are no exceptions to this law. Postmark dates of mailing, E-mail and facsimile (FAX) transmissions are not acceptable in whole or in part, under any circumstances.

ORGANIZE YOUR PROPOSAL AS FOLLOWS:

Section 1, Administrative Response

- | | |
|---|--|
| 1. Cover Letter | |
| 2. Table of Contents | |
| 3. Contractor Status Form | Attachment 1 |
| 4. Darfur Contracting Act Form | Attachment 2 |
| 5. Disabled Veteran Business Enterprise Form | Attachment 3.3 |
| 6. Bidder Declaration form GSPD-05-105 | Attachment 3.4 |
| 7. Small Business Preference Certification(s) | Certificate(s) for any Small Businesses |
| 8. Contractor Certification Clauses | Attachment 4 |
| 9. TACPA, EZA, LAMBRA forms | Attachments 5, 6, and/or 7 (if applicable) |
| 10. Financial Management Information Form | Attachment 8 |

Section 2, Technical and Cost Response

- | | |
|---|----------------------------------|
| 1. Executive Summary | Attachment 9 |
| 2. Approach to Tasks in Scope of Work | See required detail below in 1. |
| 3. Team Organizational Structure | See required detail below in 2. |
| 4. Project Team Experience and Qualifications | See required detail below in 3. |
| 5. Team Resumes | See requirement below in 3. |
| 6. Client References | Attachment 10. See also 4 below. |
| 7. Previous Work Products | See required detail below in 5. |
| 8. Project Budget | Attachment 11. See also 6 below. |
| 9. <u>Information Security – Vendor Risk Assessment Checklist</u> | <u>Attachment 16</u> |

1. Approach to Tasks in Scope of Work

All proposals will be screened for completeness and will be expected to have both the specific elements discussed below and enough information to determine a score for each section of the Evaluation Criteria. If in-kind contributions are proposed, provide descriptions of the services offered and the basis for the cost estimates provided per task.

Task 1 (Contract Management):

- Work plan for the services provided to the Energy Commission during the contract period

IV. Proposal Format, Required Documents and Delivery, Continued

- Work plan must show that time is allocated for meeting with Energy Commission staff and preparing specified reports

Task 2 (Coordinated Drafting of Rebate Forms and Materials):

- Description of the Bidder's participation in determining the final form and contents of the rebate applications and related materials, including time allocated
- Example of forms/templates and similar materials used by the Bidder in current or prior successful rebate programs

Task 3 (Receiving, Logging, and Tracking of Rebate Claims):

- Description of the Bidder's processes for:
 - Receiving and tracking rebates
 - Recording and organizing data submitted as a part of the rebate application
- Description of the tools used by the Bidder for the above processes
 - Description of the Bidder's current mail-handling capacity and its ability to handle anticipated rebate volumes. The description must include the relative volume of this program to the other programs administered by the Bidder
- Specification of the Bidder's ability to answer queries from the public regarding rebate status
- Specification of the Bidder's ability to generate reports for the Energy Commission
- Detailed start-to-finish timeline showing the step-by-step route of rebate claims, from their receipt by the Bidder to the final payment of validated rebate claims

Task 4 (Evaluation of Rebate Claims):

- Description of the Bidder's procedures for verifying rebate claim validity
- Explanation of the fraud, waste and abuse prevention measures and practices applied during rebate validation
- Demonstration that program requirements are properly understood
 - Program requirements are found in the attached Program Guidelines. They include requirements that the new appliance be purchased from a physical retail location within California, that the new appliance be purchased within the rebate period, that the old appliance be delivered to a qualified recycler or removed by an approved haulaway program, that the appliance be purchased by a residential consumer, and that rebates are limited to one rebate per appliance type per residential household
- Description of the Bidder's handling of incomplete and/or disqualified rebate claims, including how this information will be communicated to the claimant and the claimant's ability to remedy encountered errors or deficiencies and potentially become approved for the requested rebate.

Task 5 (Transmittal of Electronic Claim Files for Validated Rebate Claims):

- Description of the Bidder's process for transmitting electronic claim files to the Energy Commission~~State Controller's Office~~ for validated rebate claims
- Description of the Bidder's updating and tracking of validated rebate claims

IV. Proposal Format, Required Documents and Delivery, Continued

- Description of the Bidder's handling of escheat of unclaimed rebate funds to the State
 - Description must demonstrate that the Bidder understands California's applicable unclaimed property laws, including Part 3, Title 10 of the California Code of Civil Procedure, California Government Code Section 16304.1, and State Administrative Manual Sections 8042, 8422.7, and 8710
- Description of the ability to test and implement the electronic claims interfaces, summarize the interface test results, and participate in problem resolution with the State Controller's Office, including the organization's corporate structure or business processes that will facilitate the ability to transmit the electronic claim files to SCO's Disbursement Systems and upload SCO's DEX file
- Description of the Bidder's process to resolve SCO audit exceptions in a timely manner (no later than 7 working days after receipt of notice of exception)

Task 6 (Provision of Customer Service):

- Description of customer service functions provided to the public, including which languages can be supported by both automated and live systems
- Description of the Bidder's preferred processes for interacting with Energy Commission staff, including primary points of contact and preferred methods of communication
- Description of the Bidder's ability and preferred method or approach to keeping both staff and the public consistently aware of the number of rebate claims received, processed, approved, and remaining during the rebate period

Task 7 (Contribution to Federal Reporting and Auditing):

- Discussion of the Bidder's ability to make timely and accurate records and reports available as needed by the Energy Commission
- Discussion of the Bidder's ability and willingness to work with state and/or federal staff in the event of an audit, including making rebate-related records available for inspection

Task 8 (Fraud Prevention):

- Description of methodology and techniques the Bidder proposes to implement to prevent, detect, and minimize fraud, waste, and abuse based on the Program Guidelines. Descriptions must address the value and success of the proposed practices as historically observed by the Bidder, and the types of fraud and abuse they are designed to prevent
- Summary of the Bidder's expertise in administering the described methods and techniques in similar programs

2. Team Organizational Structure

- Description of the Bidder's organizational structure, including an organizational chart of the entire contract team
- Identification of the location of the Bidder's and Subcontractor's headquarters and satellite office(s) and proposed methods of minimizing costs to the State
- A short description of each firm and key members on the team
- Description of the relationship between the Bidder and proposed subcontractors

IV. Proposal Format, Required Documents and Delivery, Continued

- Indication of any history of a working relationship between the team members, noting any significant success stories
- Description of professional awards
- Description of the organization, composition, and functions to be performed by staff members of the Bidder and any subcontractors and how the staff pertains to this contract
- Identification of a primary contact person. This person should attend the oral interview session. At least one person from each technical area should also attend the interview
- Description of any technical capabilities that would facilitate communicating with the Energy Commission and the State Controller's Office (e.g., internet capability and electronic reports)

3. Project Team Relevant Experience and Qualifications

Description of the Bidders proposed team, their qualifications and experience to demonstrate that they possess sufficient staff with adequate experience and capabilities to successfully fulfill the requirements of this program. This description must include:

- Length of time the Bidder has been engaged in the work of processing product rebates.
- Documentation of the project team's qualifications as they apply to performing the tasks described in the Scope of Work. Description of the nature and scope of recently completed work as it relates to the Scope of Work
- List of all Bidder staff and subcontractors (all team members) who will be committed to the tasks, and description of their roles.
- Description of job classification, relevant experience, education, academic degrees, and professional licenses of these technical staff team members
- A current resume for all team members listed
- Identification of the percentage of time each team member will be available throughout the contract
- Description of their familiarity with the administration, management, and technical expertise in performing pertinent tasks identified in the Scope of Work

4. Client References

Each Bidder shall complete a Customer Reference Form. Three customer references are required for the Contractor.

5. Previous Work Products

Each Bidder shall provide at least one example of a similar work product for the services to be provided. If more than one company will be providing technical support in a task area, each company shall submit one example product that demonstrates experience in potential work assignments described in this RFP.

6. Project Budget

The Contractor must submit information on all the attached budget forms, B-1 through B-10, and will be deemed the equivalent of a formal bid submission under the Public Contract Code. Rates and personnel shown must reflect rates and personnel you would charge if you were chosen as the contractor for this RFP.

IV. Proposal Format, Required Documents and Delivery, Continued

NOTE: The information provided in these forms will not be kept confidential.

The salaries, rates, and other costs entered on these forms become a part of the final contract. The entire term of the contract and projected rate increases must be considered when preparing the budget. The rates bid are considered capped and shall not change during the term of the contract. The Contractor shall only be reimbursed for their actual rates up to these rate caps. The Hourly Rates provided in B-2 and all B-5s shall be unloaded (before fringe, overheads or profit).

Budget Summary	Attachment 11, B-1
Prime Personnel Unloaded Hourly Rates	Attachment 11, B-2
Prime Personnel Hours	Attachment 11, B-2
Fee Calculation	Attachment 11, B-3
Travel, Equipment, Materials, and Misc. List	Attachment 11, B-4
Personnel Unloaded Hourly Rates for each Sub	Attachment 11, B-5
Personnel Hours for each Sub	Attachment 11, B-5
Fee Calculation for each Sub	Attachment 11, B-6
Travel, Equipment, Materials, and Misc. List for each Sub	Attachment 11, B-7
Task Budget	Attachment 11, B-8
In-Kind Contributions (If applicable)	Attachment 11, B-9
Cost Per Transaction	Attachment 11, B-10

V. Administration

COST OF DEVELOPING PROPOSAL

The Bidder is responsible for the cost of developing a proposal, and this cost cannot be charged to the State.

EQUIPMENT PURCHASES

We recommend that you use your own funds as well as other sources of funds which would be considered leverage funds to procure and/or build equipment. If State funds are used to purchase or build equipment, the State retains ownership interest in the equipment. (See Key Words and Definitions.)

CONFIDENTIAL SUBMITTALS

The Energy Commission will not accept or retain any proposals that are marked confidential in their entirety or seek to have any part of the proposal treated as confidential (including cost forms).

TREATMENT OF PROPOSALS

All proposals submitted will become public records and available for inspection after the Energy Commission completes the evaluation and/or scoring process and the Notice of Proposed Awards is posted or the RFP is cancelled.

DARFUR CONTRACTING ACT OF 2008

Effective January 1, 2009, all RFPs must address the requirements of the Darfur Contracting Act of 2008 (Act). (Public Contract Code sections 10475, *et seq.*; Stats. 2008, Ch. 272). The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with “scrutinized” companies that do business in the African nation of Sudan (of which the Darfur region is a part), for the reasons described in Public Contract Code section 10475.

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services. (Public Contract Code section 10477(a)).

Therefore, Public Contract Code section 10478 (a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a “scrutinized” company when it submits a bid or proposal to a State agency. (See # 1 on Attachment 2).

A scrutinized company may still, however, submit a bid or proposal for a contract with a State agency for goods or services if the company first obtains permission from the Department of General Services (DGS) according to the criteria set forth in Public Contract Code section 10477(b). (See # 2 on Attachment 2).

DISABLED VETERAN BUSINESS ENTERPRISES (DVBE) COMPLIANCE REQUIREMENTS-

The Disabled Veteran Business Enterprise (DVBE) Program has two inter-related aspects:

Participation Goals: This RFP is subject to a mandatory participation goal of three percent (3%) certified California Disabled Veteran Business Enterprise (DVBE) as set forth in Public Contract Code Section 10115 et seq.

And,

Incentive: The DVBE Incentive Program gives a contractor an opportunity to improve their bid status based on the efforts attained from the DVBE Participation Program.

More information regarding DVBE and Small Business is located in Attachments 3.1 and 3.2.

RFP CANCELLATION AND AMENDMENTS

If it is in the State's best interest, the Energy Commission reserves the right to do any of the following:

- Cancel this RFP;
- Amend this RFP as needed;
- Reject any or all Proposals received in response to this RFP; or
- Make no awards.

If the RFP is amended, the Energy Commission will send an addendum to all parties who requested the RFP and will also post it on the Energy Commission's Web Site

www.energy.ca.gov/contracts and Department of General Services' Web Site www.cscr.dgs.ca.gov/cscr.

ERRORS

If a Bidder discovers any ambiguity, conflict, discrepancy, omission, or other error in the RFP, the Bidder shall immediately notify the Commission of such error in writing and request modification or clarification of the document. Modifications or clarifications will be given by written notice of all parties who requested the RFP, without divulging the source of the request for clarification. The Commission shall not be responsible for failure to correct errors.

MODIFYING OR WITHDRAWAL OF PROPOSAL

A Bidder may, by letter to the Contact Person at the Energy Commission, withdraw or modify a submitted Proposal before the deadline to submit proposals. Proposals cannot be changed after that date and time. A Proposal cannot be "timed" to expire on a specific date. For example, a statement such as the following is non-responsive to the RFP: "This proposal and the cost estimate are valid for 60 days."

IMMATERIAL DEFECT

The Energy Commission may waive any immaterial defect or deviation contained in a Bidder's proposal. The Energy Commission's waiver shall in no way modify the proposal or excuse the successful Bidder from full compliance.

DISPOSITION OF BIDDER'S DOCUMENTS

On the Notice of Proposed Award posting date, all proposals and related material submitted in response to this RFP become a part of the property of the State and public record. Bidders who want any work examples they submitted with their proposals returned to them shall make this request and provide either sufficient postage, or a Courier Charge Code to fund the cost of returning the examples.

BIDDERS' ADMONISHMENT

Prior to submitting a Proposal, Bidders must take the responsibility to:

- Carefully read the entire RFP.
- Ask appropriate questions in a timely manner.
- Submit all required responses in a complete manner by the required date and time.
- Make sure that all procedures and requirements of the RFP are followed and appropriately addressed.
- Carefully re-read the entire RFP before submitting a Proposal.
- Read all sample agreement terms and conditions and ask questions by the deadline established for the solicitation.

GROUND TO REJECT A PROPOSAL

A Proposal shall be rejected if:

- It is received after the exact time and date set for receipt of Proposals pursuant to Public Contract Code, Section 10344.
- It is considered non-responsive to the California Disabled Veteran Business Enterprise participation requirements.
- It is lacking a properly executed Certification Clauses.
- It is lacking a properly executed Darfur Contracting Act Form.
- It contains false or intentionally misleading statements or references which do not support an attribute or condition contended by the Bidder.
- The Proposal is intended to erroneously and fallaciously mislead the State in its evaluation of the Proposal and the attribute, condition, or capability is a requirement of this RFP.
- There is a conflict of interest as contained in Public Contract Code Sections 10410-10412 and/or 10365.5.
- Non-compliance with the Single Audit Act and OMB Circular A-133 (if applicable).
- It contains confidential information, or includes any material marked as confidential.

A Proposal may be rejected if:

- It is not prepared in the mandatory format described with the required documents described in Section IV.
- It is unsigned.
- It does not literally comply or contains caveats that conflict with the RFP and the variation or deviation is not material, or it is otherwise non-responsive.

PROTEST PROCEDURES

A Bidder may file a protest against the proposed awarding of a contract. Once a protest has been filed, contracts will not be awarded until either: the protest is withdrawn, the Commission cancels the RFP, or the Department of General Services decides the matter.

Please note the following:

- Protests are limited to the grounds contained in the California Public Contract Code Section 10345.
- During the five working days that the Notice of Proposed Award (NOPA) is posted, protests must be filed with the DGS Legal Office and the Commission Contracts Office.
- Within five days after filing the protest, the protesting Bidder must file with DGS and the Commission Contracts Office a full and complete written statement specifying the grounds for the protest.
- If the protest is not withdrawn or the solicitation is not canceled, DGS will decide the matter. There may be a formal hearing conducted by a DGS hearing officer or there may be briefs prepared by the Bidder and the Commission for the DGS hearing officer's consideration.

AGREEMENT AWARD

After Stage Two scoring the Notice of Proposed Awards (NOPA) will be posted for five (5) working days at the Energy Commission's headquarters in Sacramento, and on the Energy Commission's and the DGS' web site. In addition, each Bidder under this solicitation will be mailed a copy of the NOPA for this solicitation. Upon completion of the five (5)-day notice period, the Energy Commission will work with the successful Bidder to verify compliance with the requirements of CEQA and, to the extent applicable, the Single Audit Act, and prepare an award package.

The Energy Commission will not consider any substantive changes to the Agreement's "terms and conditions" contained in this RFP.

If, for any reason, a successful Bidder does not sign the Agreement documents within the time allotted, the Energy Commission may eliminate that Proposal from its award list and select the next highest ranked Proposal for funding from the rank order of eligible proposals under the Solicitation.

The Energy Commission will consider approval of the Agreement at a publicly noticed Energy Commission Business Meeting.

UNSUCCESSFUL PROPOSALS

After the NOPA is posted, each unsuccessful Bidder may request a debriefing meeting with the Energy Commission Contract Office. The debriefing meeting is an opportunity for an unsuccessful Bidder to learn why their particular proposal was not successful and may provide insight to improving proposal preparation for future solicitations.

AGREEMENT REQUIREMENTS

The content of this RFP shall be incorporated by reference into the final contract. See the sample Agreement terms and conditions included in this RFP.

No Contract Until Signed & Approved

No agreement between the Energy Commission and the successful Bidder is in effect until the agreement is signed by the Contractor, approved at an Energy Commission Business Meeting, and approved by the Department of General Services, Legal Office, if required. In addition, the Energy Commission may not approve an agreement with a successful Bidder until the Bidder has demonstrated compliance with the requirements of CEQA, and to the extent applicable, the Single Audit Act.

Contract Amendment

The contract executed as a result of this RFP will be able to be amended by mutual consent of the Commission and the Contractor. The contract may require amendment as a result of project review, changes and additions, changes in project scope, or availability of funding.

Conditions or Limits on Awards

The Energy Commission reserves the right to condition, modify or otherwise limit any and all ARRA funding awards made pursuant to this RFP.

Audit

The Bureau of State Audits may audit an Agreement awarded under this RFP up to a period of three years after the final payment or termination of the Agreement. For information on items that may be audited, please see Attachment 14.

Subcontractors

The Bidder must submit the information required in the Program Team Qualifications and Experience section of the proposal for all Subcontractors including DVBE subcontractors as well as the budget forms.

The Contractor is responsible for the quality of all subcontractor work, and may only replace Subcontractors as specified under the Agreement Terms and Conditions.

Award Payments

Award payments shall be made in accordance with Exhibit B of the Agreement Terms and Conditions.

INTERPRETATION

Nothing in this RFP shall be construed to abridge the powers or authority of the Energy Commission or any Energy Commission-designated Committee as specified in Division 15 of the Public Resources Code, commencing with Section 25000, or Division 2 of Title 20 of the California Code of Regulations, commencing with Section 1001.

KEY WORDS AND DEFINITIONS

Agreement: The Agreement signed by the Bidder and the Commission, and approved by the California Department of General Services.

Bidder: Organization submitting a proposal to this RFP.

VI. Administration (Continued)

Contractor: A Bidder, after an Agreement with the Commission has been signed and approved (also referred to as a vendor).

Deliverable: Deliverables are products that incorporate the knowledge and understanding gained by performing the activities and that are submitted to the Commission for review, comment and approval.

DGS: State of California, Department of General Services.

DGS-OLS: State of California, Department of General Services, Office of Legal Services.

Equipment: An item or group of items having a useful life of at least one year, having an acquisition unit cost of at least \$5,000, and purchased with Commission funds. **Equipment** means any products, objects, machinery, apparatus, implements or tools purchased, used or constructed within the project, including those products, objects, machinery, apparatus, implements or tools from which over thirty percent (30%) of the equipment is composed of materials purchased for the project. For purposes of determining depreciated value of equipment used in the Agreement, the project shall terminate at the end of the normal useful life of the equipment purchased, funded and/or developed with Commission funds. The Commission may determine the normal useful life of such equipment.

Proposal: The formal written response to this RFP from the Bidder. If the Commission funds the proposal, the proposal will be expressly incorporated into the Agreement.

RFP: The competitive method used for this procurement of services is a Request for Proposal (RFP). A Proposal submitted in response to this RFP will be scored and ranked based on the Evaluation Criteria. Every Proposal must establish in writing the Bidder's ability to perform the RFP tasks.

State: State of California.

Subcontractor: For the purposes of this RFP, contractors, subcontractors, or vendors to the Prime Contractor.

Successful Bidder: A Contractor and Bidder whose project proposal is accepted by the Energy Commission to be implemented by an Agreement.

VI. ARRA-SPECIFIC INFORMATION

This section provides information that is specific to this ARRA funded solicitation.

TRANSPARENCY AND REPORTING

The American Recovery and Reinvestment Act has made it clear that every taxpayer dollar spent on our economic recovery must be subject to unprecedented levels of transparency and accountability.¹ The federal government has set the following accountability and transparency objectives:

- Funds are awarded and distributed in a prompt, fair, and reasonable manner;
- The recipients and uses of all funds are transparent to the public, and the public benefits of these funds are reported clearly, accurately, and in a timely manner;
- Funds are used for authorized purposes and instances of fraud, waste, error, and abuse are mitigated;
- Projects funded under this Act avoid unnecessary delays and cost overruns; and
- Program goals are achieved, including specific program outcomes and improved results on broader economic indicators.

Recipients of funding appropriated by the Act shall comply with requirements of applicable Federal, State, and local laws, regulations, DOE policy and guidance,² and instructions in Funding Opportunity Announcement (FOA) DE-FOA-0000119.³ Recipients shall ensure that the requirements of applicable Federal, State and local laws, regulations, DOE policy and guidance, and instructions in FOA DE-FOA-0000119 are communicated to sub-recipients to the extent necessary to ensure the recipient's compliance with the requirements.

The federal government created the Recovery and Transparency Board to coordinate and conduct oversight of funds distributed under ARRA to prevent fraud, waste and abuse. California created the Office of the Inspector General to insure that stimulus dollars are spent wisely and well, including the deterrence, detection and disclosure of any fraud, waste and abuses.

DOE encourages a high degree of leveraging to extend the impact of the ARRA funds, but tracking and reporting must be separate to meet the reporting requirements of the Recovery Act and related guidance.

Details on reporting requirements can be found in the Office of Management and Budget reporting requirements listed in the "Federal And State Laws, Regulations, and Guidelines" Part of Section I (Introduction) of this RFP.

¹ Information regarding accountability and transparency can be found at:
<http://www.recovery.gov/?q=content/accountability-and-transparency> and
http://www.inspectorgeneral.ca.gov/General_Information.html.

² <http://www.recovery.gov/sites/default/files/m09-15.pdf>.

³ <https://www.fedconnect.net/FedConnect/?doc=DE-FOA-0000119&agency=DOE>.

VI. ARRA Specific Important Information, Continued

INFORMATION ON COMPLYING WITH SINGLE AUDIT ACT

If you are a public entity expecting to receive and use any federal funds, you must comply with the Single Audit Act and Office of Management and Budget (OMB) Circular A-133, *How to Comply with the Single Audit Act* (http://www.energy.ca.gov/recovery/documents/2009-08-17_OMB_A-133_The_Single_Audit_Act.pdf).

PROGRAM EVALUATION, PROJECT MONITORING, AND VERIFICATION

Proper stewardship surrounding the administration, reporting, accounting and transparency of ARRA funds is essential in the Energy Commission's administration of the SEEARP. Federal and state agencies, the Energy Commission, or their respective agents will audit a sample of funding recipients to verify compliance with the ARRA reporting requirements, the solicitation document, and to measure and verify appropriate use and expenditure of ARRA funds. In addition, the Energy Commission will monitor the progress of contract agreements and evaluate the effectiveness of particular projects.

ENFORCEMENT ACTION

1. Recovery of Overpayment

The ARRA Committee, with the concurrence of the Energy Commission, may direct the Energy Commission's Office of Chief Counsel to commence formal legal action against any recipient or former recipient to recover any portion of a funding award the Committee determines the recipient or former recipient was not otherwise entitled to receive.

2. Fraud and Misrepresentation

The Energy Commission or the ARRA Committee may initiate an investigation of any recipient which it has reason to believe may have misstated, falsified, or misrepresented information in applying for a funding award, invoicing for a funding award payment, or in reporting any information. Based on the results of the investigation, the Energy Commission or ARRA Committee may take any action it deems appropriate, including, but not limited to, cancellation of the funding award, recovery of any overpayment, and recommending the initiation of an Attorney General Investigation and prosecution pursuant to Government Code sections 12650, et seq., or other provisions of law. The State of California, through the Attorney General's Office or other state agency, may independently investigate any recipient and bring actions for fraud, misrepresentation, or misuse of SEEARP funds as appropriate.

3. Federal Action

The Federal government, through various departments, including, but not limited to, DOE and the U.S. Department of Justice, may independently investigate any recipient and bring actions for fraud, misrepresentation, or misuse of SEEARP funds as appropriate.

VI. ARRA Specific Important Information, Continued

USE AND DISCLOSURE OF INFORMATION AND REPORTS

The Energy Commission, other state agencies, the federal government, or their respective authorized agents may use any information or records submitted to the Energy Commission or obtained as part of any audit to determine eligibility and compliance with applicable law, or a particular contract agreement, to evaluate the pertinent program or program elements, and to prepare necessary reports as required by law. The information and records include, but are not limited to, applications for funding, invoices for award payments, and any documentation submitted in support of said applications or invoices.

Information and records submitted will be disclosed to other governmental entities and policing authorities for civil and criminal investigation and enforcement purposes. This information and records may also be disclosed to the public pursuant to the California Public Records Act (Government Code Section 6250, et seq.). Personal information, such as taxpayer identification or social security numbers, will not be disclosed to the public.

Bidders should note that ARRA funds are subject to information disclosure requirements through the federal Office of Management and Budget as well as other federal agencies to ensure transparency. Information concerning the identity of recipients and the amount of payment of awards is public information, and will be disclosed as part of the ARRA transparency requirements and in accordance with the California Public Records Act. This information, along with other public information describing the funding recipients, may be disclosed to members of the public to educate them and encourage further program participation. The information may be disclosed through the Energy Commissions website, another state agency's website, a federal government website, or through other means.

If, as part of any audit, the Energy Commission requires a recipient to provide copies of records that the recipient believes contain proprietary information entitled to protection under the California Public Records Act or other law, the recipient may request that such records be designated confidential pursuant to the Energy Commission's regulations for confidential designation, Title 20, California Code of Regulations, Section 2505.

Attachment 16

Information Security - Vendor Risk Assessment Checklist

Minimum Information Security Requirements:

Institutional and Management Practices

- YES / NO – Configuration Change Control – Changes made to information systems are controlled and documented. The changes are reviewed and approved in accordance with written policy and procedures, including a process for emergency changes.
- YES / NO – Security Categorization – Procedures to classify systems and information that is stored, processed, shared, or transmitted with respect to the type of data (e.g., confidential or sensitive) and its value to critical business functions are in place.

Personnel Practices

- YES / NO – Position Categorization – Procedures for identifying system access needs by job function and screening criteria for individuals performing those functions are in place.
- YES / NO – Personnel Separation – A process to terminate information system and physical access and ensure the return of all institution-related property (keys, id badges, etc.) when an individual changes assignments or separates from the institution is developed and implemented.

Physical Security Practices

- YES / NO – Physical Access Control – Physical access to facilities containing information systems is controlled and individual's authorization is verified before granting access.
- YES / NO – Environmental Controls – The necessary environmental controls, based on a requirements assessment, which includes but is not limited to backup power to facilitate an orderly shutdown process, fire detection and suppression, temperature and humidity controls, water damage detection and mitigation are provisioned and properly maintained.
- YES / NO – Secure Disposal of Equipment – Processes are in place to permanently remove any sensitive data and licensed software prior to disposal.

Data Security Practices

- YES / NO – Information Back-up – Backup copies of information and software are completed on a routine schedule, tested regularly, and stored off-site.
- YES / NO – Data Classification – Policies and processes to classify information in terms of its value, legal requirements, sensitivity, and criticality to the institution are in place.
- YES / NO – Access Control – Password Management including the use of strong passwords, periodic password change, and restriction of sharing access and/or passwords. System access is authorized according to business need and password files are not stored in clear text or are otherwise adequately protected.
- YES / NO – Least Privilege – Configuration to the lowest privilege level necessary to execute legitimate and authorized business applications is implemented.
- YES / NO – Data Storage and Portable Media Protection – Policies and procedures to protect data on electronic storage media, including CDs, USB drives, and tapes are in place. Procedures include labels on media to show sensitivity levels and handling requirements, rotation, retention and archival schedules, and appropriate destruction/disposal of media and data.

Attachment 16

Information Security - Vendor Risk Assessment Checklist

Information Integrity Practices

- YES / NO – User Identification and Authentication (typically userid and password) – Information systems/applications uniquely identify and authenticate users when it is appropriate to do so.
- YES / NO – Malicious Code Protection – A regular patching process has been implemented to protect against malicious code. The process is automated when possible.
- YES / NO – Intrusion Detection – Tools and techniques are utilized to monitor intrusion events, detect attacks, and provide identification of unauthorized system use.
- YES / NO – Secure System Configuration – The security settings on systems are configured to be appropriately restrictive while still supporting operational requirements. Non-essential services are disabled or removed when their use is not necessary as to eliminate unnecessary risk.
- YES / NO – Software and Information Integrity – Information systems/applications detect and protect against unauthorized changes to software and information.

Software Integrity Practices

- YES / NO – System and Services Acquisition – Policies and procedures for system and services acquisition are in place to address roles and responsibilities, and processes for compliance checking.

Personal Computer Security Practices – Personal computing devices include desktops, laptops, notebooks, tablets, Personal Device Assistants (PDA), and other mobile devices.

- YES / NO – Device Hardening – Operating system and application level updates, patches, and hot fixes are applied as soon as they become available and are fully tested. Services on the computing devices are only enabled where there is a demonstrated business need and only after a risk assessment.
- YES / NO – Data Storage – Confidential, sensitive, and/or personal (notice-triggering) information is not stored on computing devices without a careful risk assessment and adequate security measures.

Network Protection Practices

- YES / NO – Network Protection – Network and communication protection policies and procedures are in place. These documents outline the procedures to authorize all connections to network services. Authorization is based on an evaluation of sensitive or critical business applications, classification of data stored on the system, and physical location of the system (e.g., public area, private access, secure access, etc.).
- YES / NO – Boundary Protection – Equipment designed for public access (i.e. Web servers dispensing public information) is protected. These are segregated from the internal networks that control them. Access into internal networks by authorized staff is controlled to prevent unauthorized entry.
- YES / NO – Protect and Secure Network Infrastructure – Policies and procedures for technology upgrades, network equipment (e.g., servers, routers, firewalls, switches), patches and upgrades, firewall and server configurations, and server hardening, etc. are in place.
- YES / NO – Transmission Integrity and Confidentiality – Data is protected from unauthorized disclosure during transmission. Data classification is used to determine what security measures to employ, including encryption or physical measures.

Attachment 16

Information Security - Vendor Risk Assessment Checklist

Additional Desired Information Security Capabilities:

Institutional and Management Practices

- YES / NO – Security Program Governance – Executive Management has assigned roles and responsibilities for information security across its institution. This includes, but is not limited to, the following: documenting, disseminating, and periodically updating a formal information security program that addresses purpose, scope, roles, responsibilities, applicable laws and regulations, and the implementation of policies, standards, and procedures.
- YES / NO – Confidentiality Agreements – Implement confidentiality or non-disclosure agreements with contractors and external entities to ensure the institution's needs for protection of sensitive information is met.
- YES / NO – Risk Assessments – A review process at planned intervals is implemented to ensure the continuing suitability and effectiveness of the institution's approach to managing information security.
- YES / NO – System Security – A formal document that provides an overview of the security requirements for institution information systems and describes the security controls in place (or planned) for meeting those requirements is maintained.
- YES / NO – System Certification – An assessment of the security controls in place for existing systems and those planned for new systems is conducted at least once each year. Assessment tools are readily available through security institutions, like National Institute of Standards and Technology (NIST), SysAdmin, Audit, Network, Security (SANS) Institute, and other reputable sources. The institution's ISO or designee reviews and approves actions taken to correct any deficiencies identified. Responsible technical or operational management are included in the review process.
- YES / NO – Vulnerability Scanning – A regular occurring (e.g., bi-annual, quarterly, monthly) process using specialized scanning tools and techniques that evaluates the configuration, patches, and services for known vulnerabilities is employed.

Personnel Practices

- YES / NO – Security Awareness – Training is provided to all employees and contractors on an annual basis that addresses acceptable use and good computing practices for systems they are authorized to access. Content of training is based on the institution's policies addressing issues, such as, privacy requirements, virus protection, incident reporting, Internet use, notification to staff about monitoring activities, password requirements, and consequences of legal and policy violations.
- YES / NO – Human Resources Security – Policies and procedures that address purpose, scope, roles, responsibilities, and compliance to support personnel security requirements, such as access rights, disciplinary process, etc. are in place.
- YES / NO – Third Party or Contractor Security – Personnel security requirements for third-party providers and procedures to monitor compliance are in place. Requirements are included in acquisition-related documents, such as service-level agreements, contracts, and memorandums of understanding.

Attachment 16

Information Security - Vendor Risk Assessment Checklist

Physical Security Practices

- YES / NO – Physical and Environmental Program – Policy and procedures that address the purpose, scope, roles, responsibilities, and compliance for physical and environmental security, such as security perimeter and entry controls, working in secure areas, equipment security, cabling security, fire detection and suppression, room temperature controls, etc. are in place.
- YES / NO – Physical Access Monitoring – The need for monitored access to business areas is evaluated. In monitored areas, records for approved personnel access and sign-in sheets for visitors are maintained. Logs are periodically reviewed, violations or suspicious activities are investigated, and action is taken to address issues.

Data Security Practices

- YES / NO – Operational Recovery Planning – An Continuity of Operations Plan (COOP) is in place that supports the current business continuity needs of the institution. The COOP plans for the recovery of technology and communications following any major event that disrupts the normal business environment, provides for periodic updating and testing of the plan, and its documentation includes, but is not limited to:
 - Recovery based on critical and sensitive business needs.
 - Location of regular backups of systems and data, with documentation.
 - Regularly updated information about where copies of the plan reside, including appropriate off-site locations.
 - Training for appropriate personnel.
- YES / NO – Monitoring – System logging, and routine procedures to audit logs, security events, system use, systems alerts or failures, etc. are implemented and log information is in placed where it cannot be manipulated or altered.
- Access Controls – Policies and procedures are in place for appropriate levels of access to computer assets. Access controls include, but are not limited to:
 - YES / NO – Wireless access restrictions are in place, with institutional control over access points, prohibition and monitoring against rogue access points, appropriate configuration of wireless routers and user devices, and policy, procedure, and training for technical staff and users are in place.
 - YES / NO – Secure remote access procedures and policies are in place, and are known and followed by users.
 - YES / NO – Mobile and portable systems and their data are protected through adequate security measures, such as encryption and secure passwords, and physical security, such as storing devices in a secure location, using cable locking devices or asset tracking SW/HW.
 - YES / NO – The tracking of access and authorities, including periodic audits of controls and privileges is in place.
 - YES / NO – Networks challenge access requests (both user and system levels) and authenticate the requester prior to granting access.

Information Integrity Practices

- YES / NO – Identification and Authentication – Policies and procedures for identification and authentication to address roles and responsibilities, and compliance standards are in place.
- YES / NO – Device Identification and Authentication – Information systems/applications identify and authenticate specific devices before establishing a connection with them.

Attachment 16

Information Security - Vendor Risk Assessment Checklist

- YES / NO – System and Information Integrity – Policies and procedures for system and information integrity to address roles, responsibilities, and compliance standards are in place.
- YES / NO – Security Alerts and Advisories – The appropriate internal staff members receive security alerts/advisories on a regular basis and take appropriate actions in response to them.
- YES / NO – Information Input Accuracy, Completeness, and Validity – Information systems/applications check data inputs for accuracy, completeness, and validity.
- YES / NO – Flaw Remediation – Information system/application flaws are identified, reported, and corrected.

Software Integrity Practices – Policies and procedures associated with system and services acquisition and product acceptance are in place for:

- YES / NO – Acquisitions – Security requirements and/or security specifications, either explicitly or by reference, are included in all information system acquisition contracts based on an assessment of risk.
- YES / NO – Software Usage Restrictions – Controls or validation measures to comply with software usage restrictions in accordance with contract agreements and copyright laws are in place.
- YES / NO – User Installed Software – An explicit policy governing the downloading and installation of software by users is in place.
- YES / NO – Outsourced Information System Services – Controls or validation measures to ensure that third-party providers of information system services employ adequate security controls in accordance with applicable laws, policies and established service level agreements are in place.
- YES / NO – Developer Security Testing – A security test and evaluation plan is in place, implemented, and documents the results. Security test results may be used in support of the security certification process for the delivered information system.

Personal Computer Security Practices – Personal computing devices include desktops, laptops, notebooks, tablets, Personal Device Assistants (PDA), and other mobile devices.

- YES / NO – Lock-Out for Inactive Computing Devices – The automatic locking of the computing device after a period of inactivity is enforced.
- YES / NO – Data Storage – Data that needs additional protection is stored on pre-defined servers, rather than on computing devices, for both data protection and backup/recovery reasons.

Incident Response Practices

- YES / NO – Incident Response – Incident response policies and procedures consistent with applicable laws and state policies are in place. These include but are not limited to identification of roles and responsibilities, investigation, containment and escalation procedures, documentation and preservation of evidence, communication protocols, and lessons learned.
- YES / NO – Incident Reporting – Proper incident reporting policies and procedures are in place. These include training employees and contractors to identify and report incidents, the reporting of incidents immediately upon discovery, and preparation and submission of follow-up written reports.

Pre-Bid Conference Questions and Answers
Request for Proposal # 400-09-404
California State Energy Efficient Appliance Rebate Program
February 5, 2010

PLEASE NOTE: Bidders are encouraged to review several sources of information associated with the California State Energy Efficient Appliance Rebate Program. The list of these documents can be found on pages 2 and 3 of the RFP.

Questions and Answers

1) Is the vendor responsible for gathering the official partners for the 50% administrative cost match?

A. No. The Energy Commission is responsible for this.

2) Please clarify, is the expectation that the demand for rebates will be satisfied by purchases made between 4/22/2010 and 5/23/2010?

A. Quite possibly. Some state programs are taking longer than expected to exhaust available funds. The purpose of a bounded offer period is to control over-subscription. If funds are not exhausted within this time frame, the Energy Commission is considering two options: 1) extend this offer period, or 2) schedule another offer period later in the summer allowing time for some program adjustments to improve success.

3) We are not a Disabled Veteran Business Enterprise (DVBE), nor will we subcontract any of the work required for this program. Does this disqualify us now?

A. Yes. Please refer to page 29 of the RFP, DVBE Compliance Requirements and page 30 of the RFP, Grounds for Rejection. Proposals shall be rejected if they are considered non-responsive to the DVBE participation requirements. Please also refer to the DVBE-related attachments in the RFP (Attachments 3.1 through 3.4).

4) How will "independent" retailers that provide free delivery and haul-away of qualifying appliances that are purchased by consumers be able to provide proof to consumers that they will recycle the old appliance so the consumer can obtain rebates?

A. Staff is addressing this issue with retailers and recyclers to determine the needed codes or identifiers that can be documented on the forms to demonstrate recycling. Staff will have a solution in the next few weeks.

5) Do you have a set turn-around time for rebate check delivery from time of rebate application?

A. The goal is to have checks issued to the consumer no less than 30 days from the time they submit the valid claims. We are looking for a firm that can accurately process and validate claims in a short time frame.

6) Is the total contract \$1 million only?

A. The total contract amount is \$1.1 million or less.

7) Are records to be destroyed after the three-year storage?

A. Staff will provide direction regarding the final disposition of records. The final repository for the paper records may be the Energy Commission or State Controller's Office (SCO).

8) What are the customer support hours? 8 a.m. to 5 p.m. Monday through Friday?

A. Staff is interested in vendor capabilities and is open to suggestions.

9) When is the anticipated go live date?

A. April 22, 2010 is the rebate offer period and all program elements must be fully functional at that time.. Customer services, however, should be capable to go live shortly after the March 30 start date.

Pre-Bid Conference Questions and Answers
Request for Proposal # 400-09-404
California State Energy Efficient Appliance Rebate Program
February 5, 2010

10) Is time to be measured from the postmark dates on the claim submittal?

A. Staff expects to use postmark dates to measure the length of time between purchase and valid rebate claim and also to determine if the 30 days to issue checks has been met. If vendors use other methods to control over-subscription or fraud, please indicate these methods or suggestions in your narratives to the bid.

A. If the question is regarding the submittal of bids, postmark dates are not acceptable. Bids must be in the Energy Commission's possession no later than 3 p.m. on February 18, 2010.

11) Please clarify the language support requirements for customer services.

A. No minimum requirements have been specified, but staff is seeking English, Spanish, and Asian languages. We would like to provide basic consumer information in as many languages as are offered by the Department of Motor Vehicles, but are looking to the vendor to specify their capabilities in their bids.

12) It was mentioned that incentives are for California residents only. Does the claim processing work have to be completed in California?

A. No, but the contractor must be registered with the Secretary of State to do business in California.

13) For hourly rates and number of hours, can we list by position versus individual names?

A. Rates can be provided by classification when names are unknown. Names of key personnel should be identified in the budget documentation so that the evaluation team is able to connect the rates with resumes.

14) How many rejected rebates are you expecting?

A. We are not sure, but expect that this program will be similar to other rebate programs.

15) What supporting documents do you require with the rebate application?

A. Please refer to the information contained in the *California Energy Efficient Appliance Rebate Program Guidelines*, found at: <http://www.energyca.gov/2009publications/CEC-400-2009-025/CEC-400-2009-025-CMD.PDF>.

16) So it would be acceptable to have consumers mail rebate applications to a rebate processing firm located outside of California? That seems like it would be confusing to them.

A. Yes. Comment noted.

17) When will the rebate form be available for review by retailers so we know what documentation will be required to be filled out by the consumer?

A. Final rebate application forms are expected to be available no later than the end of March 2010.

18) Will there be two rebate forms required - one for the consumer to fill out pertaining to the new product purchase and one to fill out to confirm that they replaced and recycled an older unit?

A. At least two forms will be required. For more information on application requirements, please refer to the *Guidelines*.

Pre-Bid Conference Questions and Answers
Request for Proposal # 400-09-404
California State Energy Efficient Appliance Rebate Program
February 5, 2010

19) What documentation will the consumer be required to submit to show that an older unit was hauled away (or disposed of) by a state approved recycler?

A. Staff is identifying the possible requirements to ensure compliance with state requirements. Forms are expected to be completed and available for distribution no later than the end of March 2010. For more information on application requirements, please refer to the *Guidelines*.

20) What are the rebate amounts and eligibility requirements?

A. Qualified washer machines can receive \$100, qualified refrigerators can receive \$75 and qualified room air conditioners can receive \$50. Please refer to the summary of basis eligibility requirements contained in the February 5, 2010 Pre-Bid conference presentation, found at:

http://www.energy.ca.gov/contracts/recovery.html#RFP_400-09-404. For information on rebate amounts and eligibility requirements, please refer to the *Guidelines*.

21) Is the Energy Commission procuring support for marketing, design, outreach and the website from official partners or is the vendor expected to do this?

A. The Energy Commission is responsible for procuring official partners; the vendor is not expected to do this.

22) Will the rebate company have to link into the Energy Commission's website or will it be expected to develop a secondary outreach mechanism?

A. The Energy Commission is considering two possibilities to integrate rebate processing and customer services into the program website: 1) the vendor can interface directly with our website through a plug in widget; or 2) can develop a separate website that the program website links to seamlessly (it is seen by the consumer as a page on the website, not a separate site). We are looking for vendors to make suggestions and discuss capabilities to integrate into and augment our website.

23) Are consumers responsible for recycling?

A. Yes, the consumer is ultimately responsible for properly recycling the old appliance and providing acceptable documentation that the recycling has taken place. The Energy Commission is working with retailers to identify those that can do free haul-away and verification of the recycling to assist consumers with this program requirement.

24) How far in advance of the rebate offer period will marketing and outreach occur?

A. We expect to be able to begin marketing and outreach as soon as possible, but no later than the beginning of March 2010. We are trying to have basic information about the program available on the program website in February 2010.

25) Is the vendor expected to conduct post inspections of the location where the new appliance is supposed to be installed?

A. No.

26) Can consumers submit their application via email/electronically?

A. No. All applications and associated materials must be hard copies submitted via standard mail.

27) Who does the coordination between the SEEARP and other rebate programs? Will the vendor have to verify if a claimant has received another rebate?

A. Energy Commission staff is coordinating the development and roll out of the SEEARP with utility programs. The vendor is not expected to do any validation of other rebate programs or verify if the purchaser has received another rebate.

Pre-Bid Conference Questions and Answers
Request for Proposal # 400-09-404
California State Energy Efficient Appliance Rebate Program
February 5, 2010

28) Is the Energy Commission considering contracting with multiple vendors directly to provide rebate processing services in different regions of California?

A. No. The Energy Commission will not award multiple contracts for rebate services for this project, but rather will contract with one vendor for the entire rebate processing service. A vendor may rely on subcontractors to assist them fulfill their contract requirements. Vendors intending to use subcontractors should follow all instructions regarding the use of subcontractors and required information in their bid proposals.

29) If an application is incomplete or denied for some reason, can a claimant resubmit their application?

A. Yes. The RFP specifically asks bidders to explain their processes and protocols for dealing with applications that are denied and how they may notify the consumer. In addition, the vendor will be expected to coordinate with the Energy Commission and SCO to ensure that corrected and resubmitted applications are properly tracked and that no duplication of award/rebate issuance occurs.

30) How does the DVBE incentive percentage point preference process work? Does it result in a lower cost of the bid or a higher score?

A. This is a high score RFP and not a low-bid RFP so DVBE incentive points are added after completion of the Technical Evaluation.

31) When will the list of attendees and presentation be available?

A. As soon as we can make the list available we will but no later than February 11, 2010.

32) Is there a length of time a business has to have been in business to qualify?

A. No, but we will be scoring proposals based on experience, capabilities, staffing and demonstrated skills. Businesses must also be registered to conduct business in California.

33) Does a contractor have to have sufficient staff that is skilled and able by the start of the contract? If a business has adequate staff to do their current workload, but would have to hire temporary staff for this project, will that be acceptable?

A. The Energy Commission expects that bidders will have sufficient skilled and experienced staff that can fully implement this program by March 30, 2010, the anticipated start date of the contract.

34) What is the expected volume of rebates and what expectation for processing capabilities does the Energy Commission have?

A. The Energy Commission expects that approximately 400,000 rebate claims will be made as part of this program; however, since this is a new program for the state, it is unclear how quickly this program will run. It is possible that all the funds will be exhausted within a month or that it will take some time to do so. If the program runs swiftly, thousands of claims could be received daily requiring a high processing capacity. It is for this reason that the Energy Commission seeks information on the processing capabilities of bidders and will be scoring this as part of the selection process.

35) Will the vendor be required to report for the entire program duration (i.e., to February 17, 2012)? Are there any requirements to report directly to DOE as part of the ARRA program?

A. Since we do not know just how long the rebate funds will last, we have built some flexibility into the RFP regarding reporting. If the funds are exhausted quickly, the final reports will be due shortly after the last rebate is issued; however, if the program runs for an extended period of time, the final reports are due no later than January 2012. The vendor will report directly to the Energy Commission who will in turn report to DOE and the federal Office of Management and Budget.

Pre-Bid Conference Questions and Answers
Request for Proposal # 400-09-404
California State Energy Efficient Appliance Rebate Program
February 5, 2010

36) Will the state consider using a rebate reservation system?

A. No. Rebates will be awarded on a first-come first-served basis through a mail-in process.

37) How was the projected number of rebates (400,000) calculated?

A. This is the estimated number of claims we expect to be processed during the course of the program, with a smaller number actually being validated and issued a rebate check. DOE provided states with tools to identify the number of rebates they should target in various categories based on historical sales in their states. From that information, a total number of rebates were estimated that would exhaust funds – about 350,000. However, the number of rebates to be processed is estimated to be higher since not all claims will be accepted and validated, hence the 400,000 estimate. Actual numbers are expected to vary and thus must be tracked closely to minimize oversubscription and keep consumers informed of the availability of funds.

38) Is the vendor expected to write and issue checks (fulfillment) or will the SCO do this? Rebate processors are not being asked to do fulfillment?

A. The SCO will write and issue all checks to qualified consumers whose claims have been validated by the vendor. This is to address concerns that rebate fulfillment companies would have to “float” funds on behalf of the State of California due to the requirement that the state only pays in arrears for services rendered, even the issuance of rebates. The vendor is not expected to write, reproduce or issue any of the rebate checks or deal with any of the rebate funds directly.

39) Will there be any subsequent validation by SCO? How long will this take?

A. Yes, SCO will do additional, but minimal validation of claims complementary to the rebate processing firm’s validation and fraud prevention. The vendor will be expected to assist the Energy Commission and SCO in reconciling any claims that are denied, rejected or otherwise invalid. SCO expects to process the valid claims and issue checks within five business days.

40) Does the state know that it does not have to fund the checks in advance of fulfillment by a rebate company? There are some companies that will do that.

A. Of the companies contacted by staff, none were willing to issue checks and cover their costs in advance of reimbursement by California. Accordingly, the Energy Commission decided to rely on the SCO for issuance of any and all checks.

41) Will the state allow instant rebates at the point of sale?

A. No. Such programs cannot easily verify that the old appliance is recycled prior to the issuance of the rebate.

42) Will claims for lost checks and requests for re-issuance of checks run through the same process as the initial rebate claim?

A. At this time, lost checks and requests for re-issuance of checks are expected to run through the same process.

43) California is no longer considering the use of pre-paid cards?

A. The California program will not use pre-paid cards for rebates, but rather will issue paper checks.

Pre-Bid Conference Questions and Answers
Request for Proposal # 400-09-404
California State Energy Efficient Appliance Rebate Program
February 5, 2010

44) On the budget sheets, the bidder is asked to give information based on hourly rates rather than the rebate industry standard of rate per transaction. Does the state compensate only on the basis of hourly rate?

A. The State of California can only reimburse contractors for services rendered based on hourly rates. Bidders are expected to translate their transaction-based rate into an hourly rate.

45) Where does the total budget by task information go in the budget summary?

A. This is information in addition to the budget summary to see how the costs are allocated by task for purposes of the cost evaluation.

46) Can the vendor have the retailers register on-line, or will the bidder have to define how to track the retailers?

A. Vendors do not have to register retailers. The Energy Commission staff is working with retailers and utilities to identify official partners and define the working relationship with them. The vendor will be asked to work with the official partners and the Energy Commission as the program is implemented including providing information to consumers regarding who official partners are and what appliances are covered by the program.

47) What is meant by in-kind contribution? Leveraged or matching funds?

A. The budget forms allow potential vendors to indicate whether any of their services will be offered as a contribution to the state to help meet the 50% administrative costs match. These contributions will be considered as part of the reasonableness of cost, though they are not required.

48) Are descriptions of work by task to be in narrative or flow chart form?

A. Please provide the description in narrative form, and if graphs or charts help clarify the narrative, include them.

49) If a retailer does not have a product wanted by a consumer, is the leniency in the program to still get the rebate?

A. The Energy Commission is working with several retailers to ensure that all of them know what products are eligible for a rebate and to ensure that adequate supplies are available. In addition, consumers can purchase a qualified appliance from any retailer. As a result, adequate choice is available to consumers such that leniency is not required. There are no rebate reservations allowed under the California program.

50) Are the forms to be distributed by the vendor or the Energy Commission?

A. The forms, with input from partners and the vendor, will be developed and distributed by the Energy Commission. These forms will also be available on the program website.

51) Are vendors responsible for translating the forms?

A. No, but if capable of doing so as part of customer services, please let us know in your bid.

52) In the preamble to Attachment 1, it is stated that the document is used to provide the Energy Commission with basic information regarding the "Bidder and its key subcontractors". Are "key subcontractors" also expected to complete the form?

A. This will be addressed in the addendum. This is a remnant statement from another solicitation. Subcontractors do not need to complete the form.

Pre-Bid Conference Questions and Answers
Request for Proposal # 400-09-404
California State Energy Efficient Appliance Rebate Program
February 5, 2010

53) If the Bidder wishes to negotiate certain aspects of the Agreement Terms and Conditions, how should the bidder complete Section 6 of Attachment 1 (i.e. it appears the Bidder should only sign the certification if it agrees to all of the Agreement Terms and Conditions without any negotiation).

A. Pursuant to page 31 of the RFP, the Energy Commission will not consider any substantive changes to the Agreement Terms and Conditions.

54) With regard to Attachments 3.1, 3.2, 3.3, and 3.4; is use of certified DVBE subcontractors (at least 3% of award) mandatory to participate in the RFP, or merely required to obtain a preference?

A. DVBE Participation (3% minimum) is required for all bidders. Section VI (Administrative Information) of the RFP states the grounds to reject a proposal. One item is if a proposal is considered non-responsive to the California Disabled Veteran Business Enterprise participation requirements.

55) With regard to Attachment 3.4, is it a requirement that Bidder and all subcontractors of Bidder be qualified to do business in the State of California (even if no operations/property/personnel are located in California)?

A. Please refer to the Contractor Certification Clauses:

Item 5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

56) With regard to Section 4 of Attachment 4, does Section 6072 of the Business and Professions Code apply where legal services are not performed?

A. Section 6072 of the Business and Professions Code only applies to contracts with the state for legal services that exceed fifty thousand dollars (\$50,000).

57) Section 5 references the transmittal of electronic claim files for validated rebate claims. Will this be your invoicing vehicle of choice or is this intended as a pre-payout approval step (i.e. all potential valid payouts are sent to the State for final approval to pay before the claim is truly "valid")?

A. The vendor is responsible for verifying the validity of the rebate claims and conformance with program rules and then submitting the files with the valid claim information to the Energy Commission for payment by the SCO. A second auditing step will take place at SCO and any errant claims (these could possibly be errors in the electronic files) will need to be reconciled within the specified period of time before a check will be issued.

Invoicing for the vendor's administrative services must be in accordance with Exhibit B of the Contract Terms and Conditions. See Attachment 12 as revised in Addendum #1.

Pre-Bid Conference Questions and Answers
Request for Proposal # 400-09-404
California State Energy Efficient Appliance Rebate Program
February 5, 2010

58) What is the State of California's process for payment of invoices under this program (how long will it take to fund the invoice once received)? What documentation is needed for invoice approval?

A. Exhibit B of the Contract Terms and Conditions (Attachment 12, Addendum #1) identifies the procedures for invoicing for the vendor's services.

Exhibit B, 2.A:

For services satisfactorily rendered, and upon receipt and approval of invoices, the Energy Commission agrees to compensate the Contractor for actual allowable expenditures incurred in accordance with Exhibit B. The rates in Exhibit B are rate caps, or the maximum amount allowed to be billed. The Contractor can only bill for actual expenses incurred for hours worked at the Contractor's actual direct labor, fringe, and indirect rates, not to exceed the rates specified in Exhibit B.

Exhibit B, 7.A-H:

- A. Payment shall only be made in accordance with this Exhibit B.
- B. The Contractor is not allowed to profit from its subcontractors' costs. Subcontractors are not allowed to profit from their subcontractors' costs
- C. Each request for payment is subject to the Contract Manager's approval.
- D. The Contractor shall use the salary and wage rates commensurate with approved personnel status and level of expertise.
- E. Each invoice is subject to approval by the Energy Commission's Contract Manager. The Contract Manager will not process any payment request that does not meet the following conditions:
 - 1) All required deliverables and reports have been submitted and are in accordance with the Standard of Performance clause.
 - 2) All appropriate permits or permit waivers from governmental agencies have been issued.
- F. Payments will be made to the Contractor for undisputed invoices. An undisputed invoice is an invoice submitted by the Contractor for services rendered and for which additional evidence is not required to determine its validity. The invoice will be disputed if all deliverables due for the billing period have not been received and approved, if the invoice is inaccurate, or if it does not comply with the terms of this Agreement. The Contractor will be notified via a Dispute Notification Form, within fifteen (15) working days of receipt of an invoice, if the Energy Commission disputes the submitted invoice. On any disputed invoice, the Energy Commission shall withhold payment only on the disputed portion of the invoice.
- G. The Energy Commission must receive the final invoice no later than thirty (30) calendar days after the Agreement termination date.
- H. Payment will be made in accordance with the Prompt Payment Act, Government Code Chapter 4.5, commencing with Section 927, which requires payment of properly submitted, undisputed invoices within 45 days of receipt or automatic payment of late payment penalties.

**Pre-Bid Conference Questions and Answers
Request for Proposal # 400-09-404
California State Energy Efficient Appliance Rebate Program
February 5, 2010**

59) Has the Energy Commission made any further decisions on limiting eligible products for rebates? In the program plan filing to DOE, consideration was being given to increasing EE requirements for room air conditioners and refrigerators for eligibility to be rebated. If such decisions have been made, what is the anticipated impact on number of rebates to be issued in the program?

A. Eligibility has been restricted for clothes washers and room air conditions. Please see the *Guidelines* for more information. This restriction may result in a slower roll-out of the program depending on product availability.

60) Please confirm that the Program's eligible purchase period will be from April 22, 2010 to May 30, 2010, provided funds are not fully subscribed.

A. The rebate offer period is from April 22, 2010 to May 23, 2010. Claims can be made up to 30 days after purchase within this rebate offer period. Additional time may be added to this period or a second period may be considered if funds are not fully subscribed within the initial period.

61) Is the Energy Commission looking to restrict the number of rebates within each appliance category to the targeted quantities used in the plan filing to DOE?

A. The numbers used in the application to DOE are target numbers only and are not meant to restrict actual numbers rebated. Actual appliance purchased and rebated under this program will likely vary from those anticipated.